Previous

Present

App. F. IX-4

1933.4
(1/5.)

File No. 34-33

Serial Nos. 3-13, 17

Previous References

C. 1 34 33 (1-2)
" 42-46 (1-4)
" 11-28 (1-4)

Letter References.

C.1. A 3-32 (1-2)
" C. 126-30 (1, 3, 4, 6)
C.1 31-33 ... 20 24
C 134-33 (29-31)

Letter refee
CS 27-28 (1-8, 10, 11)
" (9, 12-21)

PRESERVED

GENERAL AND REVENUE SECRETARIAT.

C. S 68-37 (1-2)
G.S. 89-42 & 7. 35-38 (1-2)

Serial Nos. Relve.

C.S. 25-43-1, 5, 6.

Part B for Aug 7 35

SUBJECT.

Grant of a loan of Rs 150000 to the Agra Bank for financing house building societies in the states.

& 970-71 of 13. 8. 35.
& Regt. C-V.

WD 03607—GPB—22,500—2-8-35

Compl. three fm recd

Sanction. Re

Serial No.

3

From the Regr of Cs.

No 7052 dt 18.4.1934

Recommends the grant of a loan of Rs 3 lakhs to the Apex Bank at 4½% repayable in 15 annual instalment from the date of drawing of the amount for the purpose of granting loans to Housebuilding Societies.

Submitted with the previous papers on the subject, ~~for orders~~.

11/5 The question of the grant of financial facilities to Housebuilding Societies has been discussed in ~~this~~ ~~file~~ this file No (CS.34-33-Pt 102). It was ordered that the question be taken up if an application is made by the Apex Bank, and the application is now received and is for orders.

11/5 Whether the present financial position permits the grant of such a loan is for consideration. (Fin. Sec. may be consulted Dev. Sec.)

7/5

3 The Registrar recommends a rate of Rs 6 1/2 %. This may perhaps be a rate of 5% uniformity the loan already drawn with effect in some apex societies.

For favourable

2-5

9/5

7.5.34.

C.S. 34-33 (102)
C S 186-30 (1,3,4,6)
C.S 8 3-32 (102)
C.S 62-26 (1-4)
C.S 11-28 (1-4)

N

H. 3133
3/5/33

NOTE—Contn. Sheet.

WD 01536—GPB—7,500—5-4-34

4 In the Name of the Housing Societies the Apex Bank wants accommodation at cheap rates for itself from Govt but there is no need for the Apex Bank has surplus funds of its own which it is willing to lend to Housing Societies but cannot do so at less than 7½% being loaned out to Primary Societies

6 The advance which Govt is willing to give to the Apex Bank at a cheap rate will not be drawn by that Bank immediately and disbursed to the housing Societies but will be drawn later on when necessary & when its surplus funds are utilised."

7 This arrangement does not convey the benefit of the cheap money which Govt is willing to advance, to the housing Societies that need it, immediately.

8 The only way in which the Apex Bank can lend at cheap rates to the Societies is ~~by the following~~ as follows:

1) The Apex Bank should not lend any further of its own funds to the Housing Societies ~~at any rate at~~ if it cannot do so at the same rates of interest as for money & practically it should lend only for money.

2) ~~The~~ It should also not unnecessarily take and keep with itself for money.

3) once in 6 months or a year it should obtain from the several Societies the amounts required by them for immediate disbursement of loans and having consolidated their

General and Revenue Secretariat | CS File No. 34 of 1933. | [App. F. III—2

Serial No.

H 3133

requirements take a Consolidated advance from Govt – at a rate of interest which will be fixed by the Govt at the time Sanction is granted — and immediately hand over to the respective societies the amounts advanced by them at ½% more –

2 The societies in their turn to the apex Bank should make use of the necessary loans, to defray the advances taken & not withdraw them for fresh advances. –

3 The loans to be granted to individuals will then carry different rates of interest according to the year in which they borrowed from Govt – But this is quite fair as no one can fix once for all the proper rate of interest from a distant future date.

4 The suggestion of Mr. Rogers to Commit Government to grant a loan at 4½% whenever the apex Bank should choose to ask for it without any guarantee that the Co-operative Societies will in the meantime get all the money that they require is not financially acceptable

NOTE—Contn. Sheet.

WD 0431—GPB—15,000—12-10-33

4

CS File No. 34 of 1933

General and Revenue Secretariat

Serial No.

1V
First Member

MW. 10.5.34. Ehto 11.5

2V Regr may be advised in accordance with the wishes of the First Member

MW. 12.5. CHC 14/5

3V Dft ord 15/5 — 157 for personal before issue CC 15/5

Dy Secy)

4 The First Member receives the deputation requesting favourable consideration of the application and awaits the Registrar's further note

MW. 12.6

I members notes on CS file 3-33. re: Yedashee H.B. Cooperative Society's application for further loan:

1) Please request him to expedite

(Intd) K.M. 20/7/34

2V Submd with a dft

MW 23/7

19. Issue Secy 23/7/34

To. The Registrar of C.S. — No. D. 4798 dt. 28. 7. 34.

Request to submit further proposals in the matter.

Secy

MW 25/7 JULY 1934

5 N 4 5

General and Revenue Secretariat | C/ File No. 34 of 1933. | [App. F. III—

Serial No. 5

From the Registrar.

No. 933 of 3.8.1934

Forwards copies of correspondence with the Apex Bank on the subject and states that a cash credit or a loan of Rs 3 lakhs may be sanctioned to the Bank on agreed terms.

The conditions are set forth in the Resolutions of the Bank at Flag U.

The Financial Secy may perhaps be consulted again. (Ref paras 4 & 11 of the note)

mg 14/8. Dev. Secy

Dev. Secy 14/8/34

Fl. Secy

17.8.

Dev. Secy

DEVELOPMENT SECRETARY. 15 AUG. 1934

Fl 344 17/8/34 MW

4. A cash credit loan of Rs 3 lakhs to the Apex Bank may be sanctioned, in the circumstances explained by the Registrar, subject to the following conditions:- 6.9.34.

(1) The loan should bear interest at at least 5% as stated by the Development Secretary. 4½% is perhaps ~~too~~ low.

Rly 5% 10½ agreed

(2) The interest charged by the Apex Bank to the House Building Societies should not exceed 5½% (i.e., ½% more than the rate charged by Government) and the interest charged by the Societies to individual members should not exceed 7%.

5½% do

10 1¼% more than what they

(3) The Cash credit loan should be drawn within

NOTE—Contn. Sheet.

WD 01955—GPB—22,500—12-6-34

three years. The period of five years suggested is long. The Bank should intimate to the Comptroller well in advance the amount required to be drawn from time to time.

(4) It may be repaid within 15 years in annual instalments.

(5) Proper security (in the shape of Government securities etc.) should be furnished by the Apex Bank for the loan taken from Government. It is not possible to advance a large sum of Government money without security. Inspection by the Registrar etc. does not dispense with the need for a security.

25 There is no provision for the purpose in the current year's budget and an additional grant for the amount has to be obtained from the Legislative Council if it cannot be met by reappropriation from funds set apart for giving loans.

OFFICE OF THE FIRST MEMBER OF COUNCIL 334 No. 1690

Serial No.

29 Please request Mr Venkatasubbiah, Overseeing the Apex Bank to see me about this if convenient- anytime 15th inst- at 3 P.M. Sec 12/9

MW. 13.9.

30 Issue DO. Sec 13/9/34

Dmd no D 958 dy 15/9/34

31 Discussed with the Secy the Apex Bank the Fmd Secy being present.

The conditions for grant of the Fmd Secy are suitable except No 5. in lieu of which the Secy stated & the Fmd Secy agreed that the mortgage deeds Manuals of the Land Mortgage Societies should be assigned to the Govt. How Exactly this should be done may be fixed in the Govt Law Secy & indicated in the Govt Order of the Govt.

32 The other conditions are:-

(1) Apex Bank to pay 5% to Govt

(2) " to charge 5½% to H.B. Societies

(3) H.B. Societies to charge 10½% Ent more to borrowers as may be approved by Govt.

(4) Cash credit to run for three years

(5) The whole loan to be repaid in 15 yrs not more than

(6) A 1½ lakhs only of the Rs 4 lakhs to be earmarked for the Bangalore H.B. Co-op. Soc 9-

33 by Govt Fmd Secy MW. 13.9. 15/9. 15/9/34

OFFICE OF THE FIRST MEMB... COUNCIL 17 SEP '334 2152

NOTE—Contn. Sheet.

WD 01955—G.P.B.—22,500—12/6-34

JC344

C Grant of a loan to the Apex Bank 5th July 1668/34 pt

CO File No. 34 of 1933. | General and Revenues Secretariat

urgent

31 A memo is sent in the Law section

Hw 18.7.34 sig

87

Law Rts noe 19.9.34

35 To the Law Section with compliments

Pt 2/1919

36 So far as the assignment of the mortgage deeds already taken for loans issued till now, the Hindu building society has to execute an assignment deed in favour of the Apex Bank and get it duly registered. In turn the Apex Bank has to execute another assignment deed in favour of Govt. If these assignments are to be taken only as security for the loan, then the assignments will be merely submortgages in law & the submortgagor's personal liability regarding the loan ~~being~~ ~~the same as mortgagor~~ ~~debtor~~ will be retained. This, I think would be the preferable course.

37 If the idea is to take in addition an assignment of the mortgages hereafter to be executed in favour of some building Societies for loans to be issued by them out of the loan to be advanced by Govt

General and Revenue Secretariat | File No. | of 193 | [App. F, III—2

Serial No.

it would be necessary for the apex Bank to take an agreement to this effect from the House Building Society and then execute a similar undertaking to Govt under such agreement, as soon as a loan is issued to a private party and a mortgage deed got executed, the Society will have to give an assignment in favour of the apex Bank which in turn will have to execute another assignment in favour of Govt. This would mean multiplicity of documents and a constant watch over the operations of the H.B. Societies.

Dev Secy) 29/9/34

38 If the loans are to be accepted as security, there is perhaps no objection to deal with the House building society direct which will mean less correspondence and also save the members 1/2% in interest.

Asst Member) 1.10.34.

39 As instructed by the member, I discussed the question further with the Financial Secy. He said that the entire amount of the loan need not be ~~xx~~ paid over to the Apex Bank or to the H.B. Societies atonce, but only as ~~x~~ when

OFFICE OF THE JIL
1 OCT. 1934
No. 2606

NOTE—Contn. Sheet.

WD 01955—GPB—22,500—12-6-31

10

554

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they want it to be lent to individuals for their purposes. For every sums so paid, a proper mortgage deed ~~with~~ duly assigned over has to be made over to Govt. within a reasonable time. In order that the security so given may remain unimpaired during the currency of the loan, it would be necessary to insist on the Societies passing over to Govt all sums of money received on this account from their members towards part payment of principal. Whenever the Society wants to grant a fresh loan, they must get money from Govt alone, that is the recoveries made should not be used for giving fresh loans.

40 I submit that the question of what documents are necessary & how they have to be drawn up may be better examined when the terms of the loan & the methods of repaying it are settled between the Govt, the apex Banks & the Societies concerned.

First member
Thro' Finsec

MG
10/10/34

H 735
10/10/34

Serial No.

(i) The procedure indicated in Mr. Jaya Rao's note is that followed in the case of loans to the Land Mortgage Bank, excepting that in the case of the latter the Mortgage deeds are not assigned to Government but sent to the Trustee (Comptroller) without such assignment. The Trustee has power under the Rules issued by Government to require the Bank to transfer to his name its rights in the mortgages.

(ii) In the case of loans to House Building Societies the terms of the loan have been settled. The Apex Bank will be allowed a Cash Credit loan of Rs 5 lakhs at 5% interest, the loan to be drawn by the Apex Bank within five years and repaid within 15 years. The drawings from the Cash Credit account will be only to the extent of loans to be disbursed by the Apex Bank and the Apex Bank may be asked to assign to Government all the Mortgage deeds received from individual members within a reasonable time and send the deeds to the Comptroller. The form in which this transfer should be effected and the detailed procedure to be followed in the matter has to be prescribed by the Law Department.

(iii) The only drawback in the above arrangement is that the amount realisable on the mortgage deeds at any time will not be the full amount for which the mortgage deed has been executed but only the amount still payable on it (after deducting amount repaid

NOTE—Contn. Sheet.

WD 01955—GPB—23,500—12-6-54.

12

File No. 524 of 193 . | General and Revenue Secretariat

H 7357

which is not credited to Government as and when recovered. Against this, it has to be stated that the Apex Bank will repay the Government loan in 15 annual instalments and the loan outstanding against the Bank will also get reduced year after year, and there may not be much difference between the balance of Government loan and the total balance due ~~x~~ in respect of all the Mortgage deeds. However, as a precautionary measure, it may be laid down that if the total recoveries from individual members during any year exceed the amount of annual instalment payable by the Bank, such excess also will be transferred to Government towards the ~~payment~~ repayment of the loan, in addition to the usual instalment.

(4) Under this arrangement, the recoveries from individual members cannot be utilised for the grant of fresh loans and the funds required for the latter will have to be drawn afresh from the cash credit account.

2/11

2/11/34

5/11/34.

(5) I am afraid all this is very complicated. Will Sri Rees please discuss the matter again with me?

7/11

OFFICE OF THE FIRST MEMBER OF GOVT. 5 NOV 1934 3571

1668/p/34

General and Revenue Secretariat | File No. 5211 of 193 | [App. F. III—2 | 13

Serial No.

F/835?

47 I had taken the file to the First Member on two occasions. He was pleased to say that the question was discussed at a meeting with the Registrar of Co-operative Societies and it was decided that Rs 1½ lakhs might be advanced by Government direct to the Bangalore City Housing Society and that the balance of Rs 1½ lakhs might be advanced to the Apex Bank for granting loans to other Housing Societies. The Development Secretary wanted this file to be returned to him for necessary further action.

Dev. Secretary with compliments.

28/11

48 It was also decided that in the case of the Housing society, the buildings for which loans will be granted should be properly mortgaged to Govt. In the case of the Apex Bank no security will be necessary

49 The procedure in the case will further maybe settled and in consultation with the Secy Law Dept & a draft G.O. put up.

MW. 29.11.

50 Asstt Secy, Law Dept with compliments.

dcs 29/11/34

NOTE—Contn. Sheet.

WD 01536—GPB—7,500—5-4-31

The matter was further discussed today with the members when Mr S. Narayanarao on behalf of the Housing Society and the Fin Secy were present. The Society now owes about Rs 6,5000/- to the Apex Bank for which all the loans due to the Society from its members as well as the mortgaged properties have been given as security. Since these will have now to be given as security to Govt for the Cash credit loan, Mr Narayanarao agreed to discharge the Apex Bank loan immediately the Govt loan was granted. The cash credit loan is to be discharged in 15 years by annual instalments of 1/15 of the loan and the 1st instalment is to be paid after one or two years after the amount is drawn by the Society. The Society has to execute a deed by which it has to assign away to Govt by way of security all the mortgages now held by it & also agree to similarly assign the future mortgages that may be held by it till the loan to Govt

Serial No.

is fully discharged.

5v The terms on which the Govt were prepared to grant the loan have at first to be communicated to the Society officially & a G.O sanctioning may issue after the Society intimates the acceptance of the terms proposed.

Dep Secy)

63 ~~Fin~~ Secy)

53 Please draft a letter accordingly vide also Members ~~note~~ Minute dated 17.9.34.

3139
4/12/34

54 Sched with a draft for approval

100 KP 3/12/34 55 Dep. Secy)

OFFICE OF THE FIRST MEMBER OF COUNCIL 4 DEC. 1934 4433

56 Secretary

Appd. Receipts pruned for Govt Secy

by 5/12/34

58 Financial Secy

nil to say

K 1154 7/12/84

30/11/34 MM

30.11.34 dcg

dcg 4/12/34

MM. 4.12.34. dcg

MM. 6.12.34. dcg

59 The apex Bank is willing to give the mortgage bonds which it gets from the primary Societies as Security for loan. When this is the case, there is no reason why Govt should give them a loan without any security as proposed in the draft. I would suggest these bonds being taken as Security for the loan

7/12

NOTE—Contn. Sheet.

WD 0434—GPB—15,000—12-10-33

16 Grant of Cash credit loan to Apex Bank.

CS File No. 34 of 1933. | General and Revenue Secretariat

Serial No.

60 To make the security effective the procedure will become complicated whenever the Apex Bank may withdraw the loan. On review it was felt that necessity would necessary pledge Apex Bank whose position is secure.
Forwarding.
8.12.34

61 Papers with the Trustees when the Apex Bank is willing for the security agreement signed
9/12
10.12

62 Issue with the addition proposed by the Fin! Secy
9/12/34

OFFICE
No. 4596
SECTION
DEC 1934
SECTT.

To. The Registrar of C.S. 6
No. D. 3913 Q. 13.12.34.

States that it has been decided to advance loans to the Apex Bank & B. City Housing Society on certain terms & that formal orders Govt. will be issued after the terms are accepted by the two institutions.

Sec A
no
13/12

Grant of loan to the Apex Bank and the Bangalore Co-operative Housing Society Ltd

General and Revenue Secretariat | C.S. File No. 34 of 1933. | [App. F. III—2

Serial No.	
7	From the Registrar C.S. No. 5313 dt. 2.1.1935 stating that the Housing Society has agreed to the terms, but requests waiving of stamp duty on assignments to Govt.; and suggests that the waiving of stamp duty cannot be agreed to.
	63 Submd. The Society's request is that the stamp duty payable on the assignment of the existing and the future mortgage bonds, which will weigh heavily on the members, may, as a special case be waived. The Registrar does not recommend the waiving Submd. for orders with a draft G.O.
	64 Type as revised.
3980/8.1.35	65 Typed draft submitted dcg 7/1/35
TYPING SECTION 7 JAN 1935 GENL & Rev.	66 for approval dcg 7/1/35
	(Dev. Secy) 67 How much is the stamp duty on the assignment of the mortgage deeds already in favour of the Bank. This may be examined. MW. 9.1.35.
	68 Draft enquiring submd dcg 10/1/35
8	69 Issued dcg 11/1/35

NOTE—Contn. Sheet.

REV. SECRETARIAT 10 JAN. 1935

WD 0195—GPB—22,500—12-6-34

On query how much the Stamp duty would amount to on the assignment of mortgage deeds already in possession of the Bank.

18

D 3223

G.S. File No. 34 of 1933. | General and Revenue Secretariat

7o Draft G.O. attached Herewith

MW
7.2

7/2/35

7 W
Draft as laid for Rule.
MW 7a May be subd to Fl: Secy for perusal
8/2 before communication

Fl. Cell. 1238

7b For perusal.
Fl Secy) 8/2/35.

7c I am not sure if it is the intention of the Govt Member to issue this order now in view of the representation made by the Directors of the Apex Bank on the 7th inst. They represented that they would themselves give from their own funds the Amount required by the Bangalore Housing Society at 5½% interest and the Govt may give them a corresponding credit to be drawn on if and when required. ~~So far as the~~ This point may be got settled — So far as the Fl Branch is concerned there is no objection to Communicate the order.

8/2
8
9.2.35.

7d Submitted for further consideration and orders in the light of the discussions held with the Directors of the Apex Bank on the 7th Instant.

Serial No.

77 Their main contention was that the proposed advance of Rs. 1½ lakhs to the City House Building Society direct from Govt instead of through the Apex Bank was in contravention of the accepted policy of Govt. not to deal direct with primary societies. It was true there were exceptions in the case of Yedatore and Mandya; but they only proved the Rule. There were several House Building Societies in Bangalore City itself and it was not right to show an invidious treatment to a particular society — particularly when the Apex Bank had already advanced a loan to that society and a sum of Rs. 65,000 or so was still due from it.

78 It was in pursuance of this accepted policy that a cash credit of Rs. 1 lakh was sanctioned to the Apex Bank in the year 1927. A similar accommodation at the present juncture to the extent of Rs. 3 lakhs would enable the Bank to release a portion of its own funds for financing House Building Societies in the State. The Bank may not need any such accommodation after the year 1937 when its high rated Deposits were expected to mature for repayment.

79 What the Bank wanted now was a financial backing to the extent of Rs. 3 lakhs. It may or may not draw the money presently. But when it drew, it would be prepared to assign the mortgages to the extent required. Its present lending rate ~~to~~ in the case of House Building Societies was

NOTE—Contn. Sheet.

WD 0955—GPB—22,500—12-6-34

20 Loan of Rs. 1½ lakhs to the Bangalore Co-operative Housing Society

File No. 34 of 1933. General and Revenue Secretariat

7½ per cent with a rebate of 1 per cent for regular payments. But if Govt. offered the cash credit at 5 per cent, the Bank would be prepared to lend to the House Building Societies at 5½ per cent and also to ear-mark 1½ lakhs to the City Society.

80 In view of these assurances from the Directors of the Apex Bank, it was thought desirable with a view to provide cheap credit to encourage house-building in the State to examine the feasibility of providing funds to the Apex Bank at 4½ per cent or so in order that the Bank may in turn be in a position to issue loans to House-Building Societies at 5 per cent.

81 The Financial Secretary will, if approved, be consulted on this point now.

Dev. Secy) dcg 9/2/35

Fl. Secy

NW. 12.2.35

1645

15/2/35

83 We are committed to the Housebuilding Co-operative. We also may issue

NW. 2.3.35

GOVT. OF MYSORE SECRETARIAT 5 MAR 1935 DEVELOPMENT BRANCH.

8/3/35

84 Fin! Secy)

85 For communication of the order.

Fin! Secy) dcg 5/3/35

dcg 4/3/35

86 K 5/3

NW 5.3.

Serial No.	
H Con 1238	~~May be submitted to Financial Secretary for~~ ~~personal before Communication~~
87	Offd and sent subs
	88 Issue 6/3/35
	87 Communicated. 6/3
9.	To - The Registrar of C.S. The Comptroller Surv. Dept No. D. 5158-9 of 7.3.35.
	Sanctions the loan of 1½ lakhs to the Bangalore City Cooperative Housing Society on certain Conditions.

NOTE—Contn. Sheet.

WD. 01955—GPB—22,500—12-6-34

4379

REPLY

(*To be written on this margin.*)

OFFICE OF THE
FIRST MEMBER OF COUNCIL. 22

NOTE.

Dated 4-3- 1935.

CS.

14/3/35

90 Why Lieutenant Governor was consulted about the loan (advancement) of the Apex Bank for financing Handicraft co-operatives?

91 Submitted

Kind attention is respectfully invited to para 2 of the Registrar's letter dated 2-1-35 (Flag A) the receipt of Communication is being awaited for taking further action

Dr. 15/3/35

92 A separate note is Submitted & placed below.

KP 15/3/35

Decided attempts

MW 14.3.

Grant of a loan of Rs. 1½ lakhs to the Apex Bank 23

General and Revenue Secretariat — G.S. File No. 34 of 1933 — [App. F. III-2

Serial No.

89

93 In this office letter No. B. 5915 dated 15th December 1934, the Registrar of Co-operative Societies was informed of the terms under which a loan of Rs. 1½ lakhs would be granted to the Apex Bank and also a similar loan to the Bangalore City Housing Society and that formal orders will issue after the terms were accepted by the two institutions. The Registrar in his letter

w

No. 5513 dated 2nd January 1935 reported that the House Building Society had agreed to the terms and that a separate communication will be made regarding the grant of a loan to the Apex Bank on receipt of a reply from the Apex Bank with Board's resolution in the matter. On the strength of this letter an order sanctioning the grant of a loan of 1½ lakhs to the House Building Society was issued and sent on 7th February 1935 to the Financial Branch for communication to the Comptroller. In the meanwhile a deputation of the Directors of the Apex Bank waited on the First Member and represented that the grant of a loan by Government direct to the House Building Society was against the accepted policy of Government and desired that the entire loan of 3 lakhs may be given to the Apex Bank who would themselves advance 1½ lakhs to the House Building Society at 5½ per cent interest and that they would be prepared to assign the mortgages to the

NOTE—Contn. Sheet.

24

File No. 631 of 193

General and Revenue Secretariat

extent required.

94 In view of these assurances it was proposed to examine the feasibility of providing funds to the Apex Bank and the file was sent to the Financial Secretary on 12th February 1935. The file was pending in the Financial Secretariat from 15th February 1935 till 2nd March 1935 The First Member of Council having directed on 2nd. March 1935 that the order relating to the grant of 1½ lakhs of loan to the House Building Society may be issued as Government were committed to the House Building Society to that extent ~~for~~ the order sanctioning the loan to the House Building Society was issued on 7th March 1935 in which it is stated that the Registrar of Co-operative Societies has reserved the question of granting a loan of Rs. 1½ lakhs to the Apex Bank for being dealt with in a separate communication. The file rests at this stage awaiting a separate communication from the Registrar of Co-operative Societies as promised in para 2 of his letter dated 2nd January 1935.

95 It is for orders if ~~orders~~ further Communication from the Registrar Should be awaited or a reminder issued to him or Orders issued ~~subject to the condition~~ sanctioning the loan at 5% without the security of the mortgage deed.

OFFICE OF THE FIRST MEMBER OF COUNCIL 16 MAR 1935 No. 6693

5989 15/3

KP 15.3.35 96 Sec. Secy)

Sec 15/3/35

97 Yes, please. The Registrar will be reminded

15.3.35 Sec

Union Bank of Loans & Apex Bank 2

General and Revenue Secretariat | C) File No. 34 of 1933. | [App. F. III—

Serial No.

99 Draft
Secy
26/3/35

100 Draft submd
by KF
18/3

101 Issue
Secy
29/3/35

TYPING
20 MAR 1935
GEN. & REV. SECT.

10. To. The Registrar of C.S.
No. D. 6169 of 22.3.35.
Enquires whether the Bank is prepared to accept the terms of grant of the loan.

From the Registrar of C.S.
No 8088 of Dt. 3.35
with reference to the enquiries called for.

102 The Govt. of India state that the stamp duty of Rs 483-12-0 will fall heavily on the borrowing members. & requests that the stamp duty may be waived altogether — Sd. for orders.

by
24/4 MW 103 with reference to the Secretary's Query dated 9.1.35.

A
Govt. of India
NOV
30 APR 1
DEVELOPMENT BRANCH

OFFICE OF THE
FIRST MEMBER OF COUNCIL
2 MAY 1935
No. 7953

104 The Registrar is against the waiving of stamp duty. The Society has already had the loan at a concessional rate of interest and the waiving of stamp duty in addition may not be called for as it will form a bad precedent.

Secy
24/4/35

Dev. Secy)

105 The amount is comparatively small and need not be waived.

6347
25/4

NOTE—Contn. Sheet.

WD 01955—GPB—22,500—12-6-34

106 1.5.35

107 Draft 2/5 MW 3.5.
Secy 3/5/35

b

4541

CS File No. 34 of 1933. | General and Revenue Secretariat

108 Draft sent
MD/415 MV. - 109 Issue
dcg 24/5/35

To - The Registrar of C.S. 13
No. 7402 Dt. 11.5.35
Informs that the final action on the request of the Society for waiving the Stamp duty.
No. D. 7403 Dt. 11.5.35.
Copy to the Comptroller for information.

From the Registrar C.S. 12
No. 9168 Dt. 29.4.35
With reference Sl. 10, forwards a copy of a letter from the Apex Bank on the subject and recommends the loan of Rs. 1½ lakhs to the Bank at 4 p.c. to enable it to lend to the HB Societies at 5 p.c., sufficient security being taken from the Bank's subject to the limit of Charges by HB Societies & their members not exceeding the rate fixed by Registrar to a maximum of 1½% over the rate allowed by Apex Bank's.

110 The question of granting a loan of Rs. 1½ lakhs to the Apex Bank was discussed & separately dealt with. Since the Registrar now recommends

the grant of the loan to the Apex Bank on certain terms. It is necessary that the H. Secy should be consulted in the matter. The Bank proposes to avail itself of this loan within a period of 3 years & before 30th June 1938, and to repay the same in 15 annual equal instalments. The recommendation of the Registrar is for sanction

7177
4/6/35

MG
1/6/35

111 The terms originally agreed to are as indicated in the 1st Member's minute dated 17.9.34. As several material alterations are now suggested, the matter requires further consideration with financial concurrence.

Dep Secy) Dep 4/6/35

112 Please send with comments.

HW. 4.6.35.

S 6/6/35

FINANCIAL SECRETARIAT U.O.No. Fl. 2677 5. JUN. 1935

113 The interest rate of 5% already fixed is itself low. Its reduction to 4% is not financially acceptable.

8/6

S 8/6/35.

OFFICE OF THE HON'BLE THE FIRST MEMBER BOARD OF REVENUE 11 JUNE 1935 No. 8944.

114 Secy Mr. Mukherji

Reg. may kindly discuss this with the Finl Secy

HW. 11.6.35. Dep

11/6

Finl Secy) Dep 12/6/35

HW 12.6

FINANCIAL SECRETARIAT U.O.No. Fl. 2709 12. JUN. 1935 BENGAL

(G) File No. 34 of 1933 | General and Revenue Secretariat

Paper read
Discussed with Fin Secy & Dewan

The amt might perhaps at 6½%
be
16/7/35

Draft proposal for approval
13/7 KP
Fin Secy)

Draft
dcg
12/7/35

dcg
15/7/35

DEWAN'S OFFICE
No. 1239

FINANCIAL SECRETARIAT
U.O.No. Fl:1239
16. JUL. 1935
BANGALORE.

16/7/35

16/7.

16/7/35

Fair draft
dcg
17/7/35

Fair draft mvd
18/7
Dewan
2nd member)

dcg
19/7/35

18. JUL. 1935
GENL. & REV. SECTT.

OFFICE OF THE
SECOND MEMBER OF COUNCIL.
22 JULY 1935
No. 3667

19-7-35

23/7

This is a Council case (XIX Schedule)
C.K. Secy to Govt DFN please
Draftsman

24/7/35

DTR put up

No 27/7 KP Gen. Secy) Secy 30/7/35

GENERAL DEPARTMENT 30 JULY 1935 2216

I Number Ltr 30/7 by

F.N. Signed by Member.

CCB. 1/8/35

Dewan Ltr 1.8.35 by

HIGH COURT No. 775

DEWAN'S OFFICE 2 AUG. 1935 No. 998

JM 2-8-35

NOTE—Contn. Sheet.

Final Note by the First Member of Council. ३०

Subject:—

Grant of a loan of Rs. 1,50,000 to the Apex Bank for financing house building societies in the State.

As it was considered necessary to provide long term loans at low rates of interest in order to encourage house building on co-operative lines ir important centres like Bangalore, the Registrar of Co-operative Societies recommended the grant of a cash credit of Rs. 3 lakhs to the Apex Bank on certain terms so that the Bank may in turn finance the Co-operative Housing Society at Bangalore and similar Societies in other places on easy rates of interest. Subsequently, after consulting the Housing Society at Bangalore, he submitted modified proposals recommending the grant of a loan of Rs. 1,50,000 direct to that Society on certain terms and reserved the question of granting a similar loan to the Apex Bank for separate consideration. Orders were accordingly issued in February 1935 sanctioning the grant of a loan of Rs.1,50,000 to the Bangalore City Co-operative Housing Society at 5 per cent, the loan being repayable in 15 annual instalments and the interest charged by the Society to individual members being not more than 1½ per cent over the rate allowed for the Government loan.

The Registrar has now submitted proposals for the grant of a cash credit of Rs.1,50,000 to the Apex Bank to enable the Bank to finance other House building Societies in the State. After a consideration of all aspects of the case, it is proposed to sanction the loan subject to the following conditions:-

(1) The loan should bear interest at 4½ per cent and the Apex Bank should lend to House Building Societies at 5½ per cent. The interest charged by such House Building Societies to individual members should not exceed the rate that may be fixed by the Registrar of Co-operative Societies subject to a maximum of 1½ per cent over the rate allowed by the Apex Bank;

(2) The cash credit loan should be drawn within 3 years and repaid in 15 years by annual instalments of 1/15 of the loan and the first instalment should be paid a year after it is drawn by the Bank;

(3) The Bank should give sufficient security to Government by assignment of the mortgages for such sums as are drawn by it out of the loan sanctioned; and

(4) All mortgage deeds executed in favour of the House Building Societies by their borrowers in respect of loans granted should be assigned in favour of Government.

Page 28 of Office Notes

The Dewan and the Second Member of Council have agreed to these proposals and I solicit His Highness' gracious sanction to the same.

Bangalore,
31st July 1935.

MEMBER OF COUNCIL.

32

Submitted to His Highness.

I submit herewith a Final Note by the First *Member of Council on the subject of* the grant of a loan of Rs.1,50,000 to the Apex Bank for financing house building societies in the State *for His Highness' gracious approval.*

Mirza M. Ismail

Dewan.

Bangalore,
2nd August 1935.

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Grant of a loan of Rs 1,50,000 to the Apex Bank for financing House Building Societies in the State.

C Secy
JM
7-8-35

48

Order.

~~KRW~~
5/8/35

F.C
7.8

4065 5041

34 59

General and Revenue Secretariat

SUBJECT:- Grant of a loan of Rs 1,50,000/- to the Apex Bank, for financing House Building Societies in the State.

(*)

31. All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Head-quarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/after issue of orders. (*) (*Vide Rules* 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

K. Chandrasekara
Chief Secretary to Government.

Through the Secretary to Government,

Genl Department. 1pm 8.8.35

952 8/8

FIRST MEMBER OF COUNCIL. 8/8

1062 4.8

SECOND MEMBER OF COUNCIL.

SW 8/8

NG SECTION. 10. AUG. 1935 REV. SECTT.

NOTE.—Contn. sheet.

General Secretary, with Compliments. 8/8

Issue 1pm 9/8 9/8/35

5 Nov. 34 4061

35

General and Revenue Secretariat | File No. 34 of 1937. | [App. F. III—2

Serial No.

Secret.

No. 278

Financial Secy. has seen (Vide page 28)

Scrape and Loan bubble.

13/8/35

Issue 13/8/35.

Issued

The Registrar of Cooperative Societies,
Completion Cert. F.C. Scott.

No D 970-71/CS 34-35-178 13 August 35

Sanctions the loan of Rs 1½ lakhs to the Agra Bank subject to certain conditions

B

DEPT. OPENED

SECRETARIAT

NOTE—Contn. Sheet.

WD 0:955—GPE—22,500—12-6-34

C.S. 34-33-3

GOVERNMENT OF MYSORE.

No. 7052/C.S.

Telegraphic Address: "CO-OPERT" BANGALORE.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated, Bangalore, 18 April 1934.

4065

GEN. & REV. SECRETARIAT 19 APR. 1934 DEVELOPMENT BRANCH

From

GULAM MOHADIN MEHKRI, Esq., B.A., LL.B.,
Registrar of Co-operative Societies in Mysore,

To

SECRET C.S. 18 APR. 1934

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore.

Sir,

Adverting to correspondence ending with your letter No.D.2947/C.S. 34-33-2 dated 19th December 1933, intimating that the question of providing funds in the Budget for being lent to the Apex Bank for grant of loans to House-Building Societies, will be considered on receipt of the application from the Apex Bank, I have the honour to forward, herewith, a copy of letter No.8931 dated 27th March 1934 together with a copy of the resolution passed by the Board of Directors at their meeting held on 1st January 1934, received from the President of the Mysore Provincial Co-operative Apex Bank, Ltd., and to state as follows:-

Government had, in their Order No.D.11283-92/C.S.128-25-8 dated 22nd June 1927, sanctioned to the Apex Bank a loan of one lakh of rupees and a cash credit of one lakh, at 5 per cent interest, repayable in 15 annual instalments, for being lent to House-Building Societies in the State. As, however, the cash credit was not operated upon by the Bank, Government were pleased in their Order No.D.1066/C.S.126-30-6 dated 15th/17th August 1931 to treat the cash credit as cancelled. The Bank drew the loan of one lakh of rupees in June 1931 and has so far repaid two instalments and the balance no outstanding is Rs.86,150/-.

The Bank has also advanced a lakh of rupees out of its own funds to House-Building Societies at 6 per cent and yet the demand for loans is on the increase.

It is necessary that if House-Building is to be encouraged in important centres, long term loans at low rates of interest should be sanctioned, for which large sums are necessary. The Apex Bank has some surplus funds which it could lend to House-Building Societies but since they have accepted fixed deposits at interest ranging up to 7 per cent they can not lend amounts at interest below 7½ per cent. The Directors have therefore resolved to bor-

P.T.O.

borrow 3 lakhs of rupees from Government for being advanced to House-Building Societies in the State at a lower rate of interest and are agreeable to lend this at half a per cent more than the rate fixed by Government to the Bank, the societies in their turn charging one per cent more than the Apex Bank rate to their members.

As the Bank has funds of its own which it can not utilise at present, it will not need the loan of 3 lakhs in cash immediately unless it is necessary wholly or in part to meet its unexpected calls. The Bank therefore proposes to draw the money within 5 years, and to pay interest only on sums drawn by it. It practically means a cash credit of 3 lakhs for 5 years.

I therefore recommend that a loan of 3 lakhs, may be sanctioned to the Apex Bank for grant of loans to House-Building Societies at 4½ per cent and repayable in 15 annual instalments from the date of drawing the amounts.

I have the honour to be,
Sir,
Your most obedient servant,

W. S. Mallu
Registrar. 7/-

L.S.17/4.

Letter No.8931 dated 27th March 1934 from the President of the Mysore Provincial Co-operative Apex Bank,Ltd.,Bangalore,to the Registrar of Co-operative Societies in Mysore,Bangalore.

****

I have the honour to state that several House-Building Societies in the State have applied to the Bank for loans at concession rates of interest. The Bank in view of its high rates of interest on deposits does not find it possible to lend at rates lower than its usual rates of 7½%. Should the Government place funds at the disposal of the Bank, it would be prepared to lend to House-building Societies at ½ a per cent more than the rates at which Government would lend to the Bank. Copy of the resolution passed by the Board in this connection is enclosed for your information.

I request you to kindly take early action in the matter and arrange to get the loan sanctioned on the terms set forth in the resolution.

****

Resolution passed by the Board of Directors at their meeting held on 1st January 1934.

Resolved.-

(a)That House-Building Societies be financed by the Bank to the extent of Rs.3 lakhs,provided that the Government agree to grant a loan of the same amount for a period of 15 years, the Bank being entitled to draw the amount at any time within 5 years from the date of sanction.

(b)That the rate of interest on such loans to the societies be fixed at half a per cent above the rate at which the Government agree to lend to the Bank.

(c)That every House-Building Society which takes a loan from the Bank under the above conditions be bound to charge interest to its borrowing members who participate in the said loan, at a rate not more than one per cent in excess of the rate at which it borrows from the Bank.

****

" Copies "

L.S.17/4.

Registrar.

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY. LTD.

Bangalore City,

No. 1080 Dated 6th June 1934.

Dear Mr. Gabriel,

In connection with the loan of Rs 3 lakhs, applied for by this Society, from Government, the members of the Board of Management wish to meet the exteemed First Member of Council and explain to him the necessity for the grant of the said loan. I request you to kindly arrange for an interview with him and let me have a line in reply.

I have sent herewith, for the information of the esteemed member, a copy of the Provisional Balance Sheet as on 31st May 1934, together with other information relating to the working of the Society and copies of Reports from the date of establishment of the Society.

Thanking you in anticipation,

Yours Sincerely,
S. Narayan Rao
Honorary Secretary.

To

The Personal Assistant to the First Member of Council,
Bangalore.

Members' orders
12th Tuesday
at 2 P.M. letter
7/6/34

Despatched with
Compts 12/6/34

File pending 18th Tuesday
Progress Report
recommended

15/6

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY.LTD.

OFFICE NOTE.

The following are the results of the working of the Society during the eleven months ending 31st May 1934 as compared with the corresponding period of the year 1932-33 :-

	Particulars	As on 31-5-33	As on 31-5-34
1.	Board Meetings	10	11
2.	Admissions to membership	65	65
3.	Fixed Deposits received	62,700/-	12,560/-
4.	Balance of Apex Bank loan	1,31,000/-	85,000/-
5.	Total Working Capital	2,60,166/-	2,26,637/-
6.	Total Transactions	6,99,082/-	4,63,040/-
7.	Reserve Fund	1,969/-	2,473/-
8.	Total Fixed Deposits	91,500/-	1,00,510/-
9.	NET PROFIT	1,583/-	2,108/-
10.	Subscribed share capital (only 50% called up)	1,22,700/-	1,29,200/-
11.	Paid up share capital	36,171/-	39,671/-
12.	Share subscriptions collected	5,779/-	4,857/-
13.	Loans issued to members	55,145/-	42,890/-
14.	Interest recovered	14,120/-	14,291/-
15.	Loans overdue for more than 3 months	5,504/-	4,466/-
16.	Loans overdue for less than 3 months	1,113/-	901/-
17.	Suits filed :-		
	(a) Number	5	6
	(b) Amount	14,227/-	18,038/-
18.	Cash in hand and at Banks	36,394/-	14,153/-
19.	Percentage of collection of loan to demand (including arrears)	66.8	71.6
20.	Investments :-		
	(a) In Apex Bank shares	127/-	1,000/-
	(b) In 4% bonds	- -	5,100/-

*****

CLASSIFICATION OF LOANS ISSUED FROM THE BEGINNING.

———"***"———

		No.	Amount
I.	By amounts of advance :-		
	Rs 10,000/- and below	15	1,26,650/-
	Rs 5,000/- and below	26	93,100/-
	Rs 3,000/- and below	27	78,730/-
	Rs 2,000/- and below	63	1,10,290/-
	Rs 1,000/- and below	28	25,500/-
	Rs 500/- and below	20	9,550/-
	TOTAL	179	4,43,820/-
II.	By professions :-		
	Government Officials	101	2,76,000/-
	Merchants	14	36,050/-
	Land-holders	12	15,000/-
	Pensioners	10	27,160/-
	Bank Officials	5	10,010/-
	Advocates	4	17,800/-
	Others	33	61,800/-
	TOTAL	179	4,43,820/-
III.	By incomes :-		
	Rs 100/- and below per month	122	1,82,470/-
	Rs 250/- ,,	26	73,300/-
	Rs 500/- ,,	16	90,400/-
	Above Rs 500/-	15	97,650/-
	TOTAL	179	4,43,820/-

LOANS DISCHARGED IN FULL.

Rs 500/- and below	4	1,250/-
Rs 1,000/- ,,	9	6,850/-
Rs 2,000/- ,,	23	38,800/-
Rs 3,000/- ,,	7	19,250/-
Rs 5,000/- ,,	4	15,400/-
Rs 10,000/- ,,	7	59,750/-
TOTAL	54	1,41,300/-

CLASSIFICATION OF FIXED DEPOSITS.

PERIOD	INTEREST	AMOUNT
Three years	5 %	20,000/-
-do-	5½%	14,150/-
-do-	6 %	8,500/-
3½ years	6 %	250/-
-do-	6½%	12,900/-
Five years	4½%	2,200/-
-do-	5 %	14,860/-
-do-	6½%	800/-
62 months	6¾%	2,000/-
Six years	7 %	100/-
Seven years	6 %	5,800/-
7½ years	7 %	18,950/-
Security Deposits	6 %	650/-
	TOTAL	Rs 1,01,160/-

ABSTRACT.

Deposits at	4½%	2,200/-
-do-	5 %	34,860/-
-do-	5½%	14,150/-
-do-	6 %	14,550/-
S.D.	6 %	650/-
Deposits at	6½%	13,700/-
-do-	6¾%	2,000/-
-do-	7 %	& 19,050/-
	TOTAL	Rs 1,01,160/-

[illegible]

[illegible] 31ST MAY 1934.

I. [illegible]

1.	Loan Application Fees	40- 0- 0	1.	Investment in 4% Bonds	5,100- 0- 0
2.	Admission Fees	65- 0- 0	2.	Share Amounts refunded	1,829-10- 0
3.	Loans recovered from members	43,733- 2- 6	3.	Establishment Charges	1,109-15-11
4.	Interest earned	14,290-10- 4	4.	Leave Allowances disbursed	22- 9-11
5.	Penal Interest recovered	45- 4- 6	5.	Loan repaid to Apex Bank	40,000- 0- 0
6.	Apex Bank Withdrawals	41,037- 7- 8	6.	Interest paid to Apex Bank	5,575- 0- 0
7.	City Bank ,,	43,737- 6- 7	7.	Postal Charges	98-10- 6
8.	Mysore Bank ,,	17,633-11- 6	8.	Printing Charges	44-12- 0
9.	Central Bank ,,	17,006-13- 0	9.	Suspense Account	496-14- 0
10.	State Sumur Treasury ..	20,100- 0- 0	10.	Common Good Fund	46- 0- 0
11.	Share Subscriptions collected	4,956- 9- 5	11.	Stationery Charges	62- 7- 3
12.	Postal Charges recovered	10- 3- 0	12.	Forms and Pass Books purchased	12- 4- 0
13.	Incidental Charges recovered	54-15- 0	13.	General Charges	294-13- 5
14.	Share Penalty recovered	39- 4- 3	14.	Dividends disbursed	2,687- 7- 7
15.	Fixed Deposits received	12,550- 0- 0	15.	Commission on cheques	0- 2- 0
16.	By sale of Office Bicycle	19-14- 0	16.	Apex Bank Remittances	32,966- 8- 4
17.	Refund of interest from Apex Bank	162- 7- 3	17.	City Bank ..	43,064-12- 6
18.	Security Deposit	50- 0- 0	18.	Mysore Bank ..	11,693- 2-10
19.	Stamp Value recovered	272- 8- 0	19.	Central Bank ..	11,945- 0- 0
20.	Share Transfer Fee	2- 0- 0	20.	State Sumur Treasury ..	17,013- 4- 6

21.	[illegible]	-1- 0	[illegible]
22.	Investments realised	10,000- 0- 0	22. Refund of interest to members 20- 1- 6
23.	Interest earned on above	200- 0- 0	23. Remuneration to Auditor 50- 0- 0
24.	Dividends on Apex Bank shares	6- 2- 4	24. -do- to Legal Advisor 75- 0- 0
25.	Suspense Accounts	503-14- 0	25. Interest paid on Fixed Deposits 5,194- 6- 4
26.	Stationery Receipts	25-10- 6	26. Bonus disbursed to staff 112- 8- 0
27.	Interest earned on Current A/ce	22- 3-10	27. Court Fee Stamps purchased 622-13- 0
28.	Miscellaneous	2-15- 0	28. [illegible] 27- 7- 5
			29. [illegible] 7,000- 0- 0
			30. [illegible] 7- 7- 0
			31. Loan Application Fee refunded 1- 0- 0
	TOTAL	Rs 21,517- 0- 7	TOTAL Rs 21,519- 0- 0
	CLOSING BALANCE	2- 4- 0	CLOSING BALANCE 0- 5- 7
	GRAND TOTAL	Rs 21,519-12- 7	GRAND TOTAL Rs 21,519-12- 7

L. Narayanan

HON. SECRETARY.

7/6/74

II. [illegible]

PROFIT			LOSS		
1. Loan Application Fees		40- 0- 0	1. Establishment Charges	1100-15-11	
2. Interest earned		14,290-10- 4	Less Balance	141-12- 8	958- 3- 3
3. Postal Charges recovered		10- 0- 0	2. Interest paid to Apex Bank		5,275- 0- 0
4. Incidental Charges		54-15- 0	3. Postal Charges		98-10- 6
5. Refund of interest from Apex Bank		162- 7- 3	4. Printing Charges		44-12- 0
6. Share Transfer Fee		2- 0- 0	5. Stationery Charges		62- 7- 3
7. Commission on cheques		0-12- 0	6. General Charges		204-12- 5
8. Dividends on Apex Bank shares		6- 2- 4	7. Commission on cheques		0- 8- 0
9. Interest on S.B A/cs	52-9-10		8. Refund of interest to members		20- 1- 6
Less Balance	19-0- 0	33- 9-10	9. Interest on F.D's	5194-6-4	
10. Interest on investment	200- 0-0		Less Balance	1027-3-1	4,164-14- 3
Less Balance	88-14-3	111- 1- 9	10. Interest due on Fixed Deposits		1,237- 5- 3
11. Establishment		75-11- 4	11. By sale of Office Bicycle		47-14- 5
12. Miscellaneous		0-15- 0	12. Loan Application Fee refunded		1- 0- 0
13. By last year's profits		4-11- 5	13. Leave Allowances		22- 9-11
			14. Office rent due		110- 0- 0
			[illegible]		13,645- 3- 0
[illegible]		Rs 14,753- 9- 3	NET PROFIT FOR THE [illegible]		2,108- 5- 6
			[illegible]		Rs 14,753- 9- 3

III. [illegible] ON 31ST MAY 1934.

LIABILITIES			ASSETS		
1. Share Capital		50,331- 6- 4	1. Share Investment in Apex Bank		5,000- 0- 0
2. Reserve Fund		1,000- 0- 0	2. Fixed Deposits		20,000- 0- 0
3. Deposits		20,000- 0- 0	3. Loans		45,000- 0- 0
4. Savings Bank A/cs		5,000- 0- 0	4. Interest due on Loans		1,237- 5- 3
5. Interest due on Deposits		1,237- 5- 3	5. Interest due on Investment		88-14- 3
6. Interest due on Savings Bank A/cs		33- 9-10	6. Interest due on Savings Bank A/cs		19- 0- 0
7. Interest due on Apex Bank		1,027- 3- 1	7. Office Furniture		100- 0- 0
8. Sundry Creditors		1,000- 0- 0	8. Cash in hand		1,000- 0- 0
9. Profit & Loss A/c		2,108- 5- 6	9. Cash in Savings Bank		1,000- 0- 0
			10. Cash in Current A/c		1,000- 0- 0
			11. Cash in Fixed Deposit		1,027- 3- 1
			12. Sundry Debtors		1,000- 0- 0
			13. Stock of Stationery		100- 0- 0
			14. Stock of Office Bicycle		100- 0- 0
		Rs 81,736- 4- 0			Rs 81,736- 4- 0

2.	Loan due to Apex Bank	85,000- 0- 0	2.	Investment in 4% bonds	5,100- 0- 0
3.	Fixed Deposits	1,00,510- 0- 0	3.	Loans due by members	2,13,375- 7- 4
4.	Security Deposits	650- 0- 0	4.	Stock of Forms and Pass Books	62-11- 6
5.	Penal Interest and Share Penalty	2,100-11- 4	5.	Furniture	662- 8- 0
6.	Suspence Account	122- 3- 0	6.	Stamp Fee due	520- 6- 0
7.	Reserve Fund	2,473- 0- 0	7.	Cash (1) On hand 0- 5- 7	
8.	Dividends undisbursed	122- 1- 4		(2) Apex Bank 754- 1- 3	
9.	Interest due on Fixed Deposits	1,237- 5- 3		(3) City Bank 469- 1-11	
10.	Common Good Fund	21- 0- 0		(4) Madras Bk 222-11- 4	
11.	Admission Fees	604- 0- 0		(5) Central Bk 405- 2- 6	
12.	Office Rent due	110- 0- 0		(6) C.C.Try 12005- 0- 2	
	TOTAL	2,33,773-11- 1		TOTAL	14,152-15- 9
	Nett profit for the months	2,108- 5- 6 as against Rs 1,583-7-8 last year			
	GRAND TOTAL	Rs 2,34,981- 0- 7		GRAND TOTAL	Rs 2,34,981- 0- 7

P. Narayanan

6/8/34 Secretary & Treasurer.

Total Monthly demand for eleven months :-

Rs 4,290/-

Collections during 11 months Rs 3,893/-

Percentage of collection to demand 90.7%.

****

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY. LTD.

OFFICE NOTE.

The following are the results of the Working of the Society during the eleven months ending 31st May 1934 as compared with the corresponding period of the year 1932-33 :-

	Particulars	As on 31-5-33	As on 31-3-34
1.	Board Meetings	10	11
2.	Admissions to membership	65	65
3.	Fixed Deposits received	62,700/-	12,560/-
4.	Balance of Apex Bank loan	1,31,000/-	85,000/-
5.	Total Working Capital	2,60,166/-	2,26,637/-
6.	Total Transactions	6,99,082/-	4,63,040/-
7.	Reserve Fund	1,989/-	2,473/-
8.	Total Fixed Deposits	91,500/-	1,00,510/-
9.	NET PROFIT	1,583/-	2,108/-
10.	Subscribed Share Capital (only 50% called up)	1,22,700/-	1,29,200/-
11.	Paid-up share capital	36.171/-	39,671/-
12.	Share Subscriptions collected	5,779/-	4,857/-
13.	Loans issued to members	55,145/-	42,890/-
14.	Interest recovered	14,120/-	14.291/-
15.	Loans overdue for more than 3 months	5,504/-	4,466/-
16.	Loans overdue for less than 3 months	1,113/-	901/-
17.	Suits filed :-		
	(a) Number	5	6
	(b) Amount	14,227/-	18,038/-
18.	Cash in hand and in Banks	36,394/-	14,153/-
19.	(a) Percentage of collection of loan (including all arrears)	66,8	71.6
	(b) -do-(arrears of 3 months)	69.9	74.7
	(c) -do-(arrears of 6 months)	71.4	76.5
	(d) -do-(arrears of 12 months)	75.9	82.6
20.	Investments :-		
	(a) In Apex Bank shares	127/-	1,000/-
	(b) In 4% bonds	nil	5,100/-

———"""*****"""———

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY.LTD.

OFFICE NOTE.

The following are the results of the working of the Society during the eleven months ending 30st May 1934 as compared with the corresponding period of the year 1932-33 :-

	Particulars	As on 31-5-33	As on 31-5-34
1.	Board Meetings	10	11
2.	Admissions to membership	65	65
3.	Fixed Deposits received	62,700/-	12,560/-
4.	Balance of Apex Bank loan	1,31,000/-	85,000/-
5.	Total Working Capital	2,60,166/-	3,26,637/-
6.	Total Transactions	6,99,082/-	4,63,040/-
7.	Reserve Fund	1,969/-	2,473/-
8.	Total Fixed Deposits	91,500/-	1,00,510/-
9.	NET PROFIT	1,583/-	2,108/-
10.	Subscribed share capital (only 50% called up)	1,22,700/-	1,29,200/-
11.	Paid up share capital	36,171/-	39,671/-
12.	Share subscriptions collected	5,779/-	4,857/-
13.	Loans issued to members	55,145/-	42,890/-
14.	Interest recovered	14,120/-	14,291/-
15.	Loans overdue for more than 3 months	5,504/-	4,466/-
16.	Loans overdue for less than 3 months	1,113/-	901/-
17.	Suits filed :-		
	(a) Number	5	6
	(b) Amount	14,227/-	18,038/-
18.	Cash in hand and at Banks	36,394/-	14,153/-
19.	Percentage of collection of loan to demand (including arrears)	66.8	71.6
20.	Investments :-		
	(a) In Apex Bank shares	127/-	1,000/-
	(b) In 4% bonds	- -	5,100/-

———"*****"———

40

CLASSIFICATION OF LOANS ISSUED FROM THE BEGINNING.

		No.	Amount
I.	By amounts of advance :-		
	Rs 10,000/- and below	15	1,26,650/-
	Rs 5,000/- and below	26	93,100/-
	Rs 3,000/- and below	27	78,730/-
	Rs 2,000/- and below	63	1,10,290/-
	Rs 1,000/- and below	28	25,500/-
	Rs 500/- and below	20	9,550/-
	TOTAL	179	4,43,820/-
II.	By professions :-		
	Government Officials	101	2,76,000/-
	Merchants	14	36,050/-
	Land-holders	12	15,000/-
	Pensioners	10	27,160/-
	Bank Officials	5	10,010/-
	Advocates	4	17,800/-
	Others	33	61,800/-
	TOTAL	179	4,43,820/-
III.	By incomes :-		
	Rs 100/- and below per month	122	1,82,470/-
	Rs 250/- ,,	26	73,300/-
	Rs 500/- ,,	16	90,400/-
	Above Rs 500/-	15	97,650/-
	TOTAL	179	4,43,820/-

LOANS DISCHARGED IN FULL.

Rs 500/- and below	4	1,250/-
Rs 1,000/- ,,	9	6,850/-
Rs 2,000/- ,,	23	38,800/-
Rs 3,000/- ,,	7	19,250/-
Rs 5,000/- ,,	4	15,400/-
Rs 10,000/- ,,	7	59,750/-
TOTAL	54	1,41,300/-

40

CLASSIFICATION OF FIXED DEPOSITS.

PERIOD	INTEREST	AMOUNT
Three years	5 %	20,000/-
-do-	5½%	14,150/-
-do-	6 %	8,500/-
3½ years	6 %	250/-
-do-	6½%	12,900/-
Five years	4½%	2,200/-
-do-	5 %	14,860/-
-do-	6½%	800/-
62 months	6¾%	2,000/-
Six years	7 %	100/-
Seven years	6 %	5,800/-
7½ years	7 %	18,950/-
Security Deposits	6 %	650/-
	TOTAL	Rs 1,01,160/-

ABSTRACT.

Deposits at	4½%	2,200/-
-do-	5 %	34,860/-
-do-	5½%	14,150/-
-do-	6 %	14,550/-
S.D.	6 %	650/-
Deposits at	6½%	13,700/-
-do-	6¾%	2,000/-
-do-	7 %	& 19,050/-
	TOTAL	Rs 1,01,160/-

40

Appendix F G—1]

SUBJECT .....

.....

.....

Section CS

File No. 34-33

Serial No. 4

Diary No. of letter replied to ....

No. D 479

To

The Regr of C.S.

Sir.

General and Revenue Secretariat

( )

the *193* .

I am directed to invite reference to your letter No 7052 of 18/4/1934, and the subsequent deputation of the Chairman and members of the Mysore Provincial Cooperative Apex Bank to the Hon'ble member of Council on the subject of the grant of a loan of Rs 3/- lakhs to the Apex Bank, for the purpose of granting loans to Co-Society Housebuilding, and to request you to kindly expedite your further proposals in the matter.

I have etc

Date of issue 25/7/34

Signed by [illegible]

List of enclosures .....

Copied by by Mr CRG .....

Examined by.....

WD 01956—GPB—22,500—12-6-34

25/7/34 Dew Regr.

F.S. 34-33-5

GOVERNMENT OF MYSORE.

No. 933/ C.S.

Telegraphic Address: "CO-OPERT" BANGALORE.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated, Bangalore, 3. 8. 1934

From

GULAM MOHADIN MEHKRI, ESQ., B.A., LL.B.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

3 AUG.

4 SEP. 1934 SECRETARIAT DEVELOPMENT BRANCH

To

The Secretary to Government,
Development Department,
Bangalore.

Sir,

Adverting to correspondence ending with your letter No.D.479/CS 34-33-4 dated 25th July 1934 calling for further proposals in the matter of grant of a loan of Rs.3 lakhs to the Mysore Provincial Co-operative Apex Bank, Ltd. for the purpose of granting loans to House Building Co-operative Societies, I have the honour to forward herewith, for the information of Government copies of my letter No.661 CS dated 28th June 1934 addressed to the President of the Bank and of his reply No.902 dated 26th July 1934 together with a copy of the enclosures thereto, and to state that, in the circumstances mentioned in the President's letter, a cash credit or a loan of Rs.3 lakhs may be sanctioned to the Apex Bank on the terms agreed to by it and recommended in my letter No.7052 CS dated 18th April 1934, at an early date.

I have the honour to be,
Sir,
Your most obedient servant,

M. G. Mehkri
Registrar.

AKM)2/8

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

17

D.O.Letter No.661 CS dated 28th June 1934 from the Registrar of Co-operative Societies in Mysore, Bangalore, to Mr. S. Venkatakrishnaiya, B.A., B.L., President of the Mysore Co-operative Apex Bank, Ltd. Bangalore.

With reference to correspondence ending with your letter No. 8931 dated 27th March 1934 in the matter of obtaining a cash credit of Rs.3 laks from Government for financing house-building societies in the State, I request you kindly to furnish the following additional information:

(1) Should Government be pleased to sanction a cash credit of Rs.3 lakhs to the Bank for the purpose of financing House Building Societies, whether the Bank is agreeable to earmark 1½ lakhs for grant to the Bangalore City Housing Co-operative Society, Ltd.

(2) Whether the Bank would agree to leave to the Department or Government to fix the rate of interest to be charged by societies that obtain loans from the Bank, instead of insisting that they should not charge more than 1% in excess of the rate at which the amount is advanced to ~~the~~ such societies by the Bank.

(3) As the cash credit to be sanctioned is to be drawn at any time within 5 years, whether the Bank would like to pay a uniform rate of interest on amounts drawn during this period, or whether, it would like Government to fix a rate from year toyear according to the fluctuating rates of the market.

(4) Whether the Bank would deposit with the Comptroller as security Government securities for the value of the amount drawn during this period.

The favour of an early reply is requested.

"Copy"

AKM)2/8

Registrar.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

12

D.O. letter No.902 dated 26th July 1934 from Mr. S.Venkatakrishnaiya B.A., B.L., President, Apex Bank, Bangalore City, to the Registrar of Co-operative Societies in Mysore.

In reply to your D.O. letter No.661 CS dated 28th June 1934 calling for an expression of opinion on the various points referred to therein, I write to state that it was placed before the Board of Directors and the resolutions passed by it are enclosed for your information.

The Bank has absolutely no objection to ear-mark any sum out of the total loan granted by the Government for the benefit of any particular Housebuilding society or societies.

Regarding the second resolution, I wish to state that the Bank has made a sacrifice of ½ per cent against 1 per cent previously allowed to it for cost of management and risk of loss, solely with the object of benefitting the ultimate borrower. I have no doubt that in fixing the rate at which a primary society should lend money for housebuilding purposes, the above facts would be borne in mind and that except for very special reasons no primary society would be allowed to benefit at the expense of the Bank and the borrower.

The question of demanding security for the advance proposed to be made raises a very important issue on which the Bank holds very strong and decided views. The Government initiated the Co-operative movement and to carry out its policies, the Department of Co-operation organised this Central Institution to discharge the duty cast on it to supply adequate funds on reasonable terms to primary societies. I have every reason to believe that both the Government and the Department of Co-operation are satisfied with the efficient management, financial stability, and adequate fluid resources of the Bank. The Registrar has ample powers to interfere in case of mismanagement. Section 45 of the Co-operative Regulation provides special facilities for the recovery of the advances. Apart from the general assets of the Bank, the Government will have the security of the real properties of the societies. With such ample powers and

safeguards, I am sure you will be convinced that there is no need to demand security from the Bank. I wish to state that no security was demanded when the previous loan of 2 lakhs was granted. The demand of security now would seriously reflect on the credit of the Bank and affect its deposits while the grant of the loan without security would considerably enhance its prestige and enable it to attract deposits at lower rates of interest which would ultimately benefit the societies.

Copy

Registrar.

AKM)2/8

Read D.O. No.661 CS dated 28th June 1934 received from the Registrar of Co-operative Societies requesting some additional information in the matter of the grant of a cash credit of Rs.3 lakhs by Government for financing Housebuilding Societies in the State.

Resolved

1. That if the Government should place at the disposal of the Bank a sum of Rs.3 lakhs for financing Housebuilding Co-operative Societies, the Bank should agree to set apart a sum of Rs.1,50,000/- for financing the Bangalore City Housing Co-operative Society subject to the usual conditions upon which the Bank would grant loans to its affiliated societies.

2. That the rate of interest to be charged by the societies that would obtain loans from the Bank should be fixed by the Department in consultation with the Bank, provided that such rate of interest would not be more than 1½% in excess of the rate at which the Bank would lend to the societies.

3. That the Bank should prefer to pay a single uniform rate of interest on the amounts drawn from Government at any time within five years.

4. That the Bank should not agree to deposit as security with the Comptroller to the Government, Government securities for the value of the amount drawn by the Bank.

"Copy"

Registrar.

AKM)2/8

mr SBP

21
736

JUDL. & REV. SECRETARIAT
16 AUG. 1934
GOVERNMENT BRANCH

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY, LTD.

Bangalore City,

D.O No. 214 Dated 15th August 1934.

Dear Mr. Venkatanaranappa,

With reference to our interview with the esteemed Ist Member of Council, on the subject of our application for a loan of Rs 3 lakhs from Government, I request you to be so good as to let me know at what stage the matter now stands.

We are anxious to announce the result of our application to Government to our share-holders at the next General Meeting, which comes off about the middle of next month, at the latest.

Pending sanction of the loan, a large number of applications for membership, and sites in the new Bull Temple Extension remain to be disposed of.

Thanking you in anticipation,

I remain,

Yours Sincerely,

S. Narayanan

Honorary Secretary.

The file is linked to that relating to the Grant of loan to the Agri Bank which is pending orders! (Submitted to Secy on 14/8/34 vide D no 534.

17/8

(Com Dev. Secy)

17/8/34

965
GEN. & REV. SECRETARIAT
30 AUG. 1934
DEVELOPMENT BRANCH

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY. LTD.

Bangalore City,

D.O No. 280 Dated 29th August 1934.

Dear Mr. Venkatanaranappa,

I was with Mr. S. Shamanna yesterday morning. I understood him to say that the file relating to the application of this Society for a loan from Government had not been received by him. May I request you to kindly let me know if the file has left your hands and has gone to the Financial Department ?

We are anxious to obtain early orders in the matter. Hence this trouble which, I hope, you will not mind.

Thanking you in anticipation,

I remain,

Yours Sincerely,

S. Narayanrao

Honorary Secretary.

THE BANGALORE CITY CO-OPERATIVE HOUSING SOCIETY. LTD.

Bangalore City,

D.O No. 283 Dated 2nd September 1934

FINANCE 3 SEP No.

1043

Dear Mr. Shamanna,

I have already, in person, explained to you that we are anxious to communicate to the share-holders, at the next meeting of the General Body to come off about the end of this month, the result of our application to Government for a loan of Rs 3,00,000/-. You are aware that a deputation from this Society waited on the esteemed Ist Member of Council who, after giving them a patient hearing, gave them to understand that the matter would receive his sympathetic and best consideration.

I write this to remind you of our prayer and to request you to be so good as to obtain the early orders of Government in the matter.

Thanking you in anticipation,

I remain,

Yours Sincerely,

S. Narayanan

Honorary Secretary.

This question is being dealt with in the Dev: Dept so it is therefore transferred.

GEN. & REV. SECRETARIAT 3 SEP 1934 DEVELOPMENT BRANCH

W 3/9

Dev Dept

WCJ

The file is noted to the Dl Secy. with the relevant papers regarding the granting of a loan to the Apex Bank D. No. 524. If agreed, the communication may also be submitted to the Dl Secy, in continuation

6/9

Fin Secy

GEN. & REV. SECRETARIAT 15 SEP 1934 DEVELOPMENT BRANCH

6/9/34

This file has been referred to Dept Secy yesterday.

8/9

Submitted to Int on 8.9.34

10/9

11/9/34

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

Do D 19, 8.

From the Under Secy. to Govt. 13/9/34

Dear Sir,

The 1st Member of Council will be glad if you will kindly see him in his Chambers if convenient at 3 p.m. on the 15th inst. in connection with the proposal contained in your letter of 27th March 1934 to the Regr. of Cs. regarding the grant of a loan of Rs 3 lakhs to the Apex Bank for grant of loans to Housebuilding Societies

Yours sincerely
(Sd) D.C. Subbarayappa

13/9/34

Regr. Coops. D.C.S.

S. Venkatalakshmaiya Esq B.A.B.L.
President Apex Bank
Chamarajpet, Bangalore

WD 0255—GPR—10,000—23-8-32

Shankarpur,
Dated the 7th November 1934.

My dear Mr. Venkatanaranappa,

Permit me to remind you of the question of loan applied for by the Housing Society. It has been pending long. I shall thank you, if you will kindly look into it and arrange for the issue of early orders. I would invite your kind attention to Sec 45, of the Cooperative Societies Regulation, re: the recovery of dues to Govt from Cooperative Societies or any member there of.

With the best regards,

I remain,
Yours Sincerely
S. Narayana Rao

Submitted
7/11/34.

I have had a talk with the Secy in connection with the matter
9/11

Financial Secy

9.11.

9.11.34

Secy

1. Ltr returned to the Secy PD

This may await the return of the file which has been sent up with a draft letter enquiring if the terms are agreeable to the Society and the Bank

8/12 by

Yes please place this in the main, file after seeing

GOVERNMENT OF MYSORE. 6

DEPARTMENT OF CO-OPERATION.

Telegraphic Address:
"CO-OPERT"
BANGALORE

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE.

Dated, Bangalore, 11th Septr. *1934*

D.O. No. 139 S. / Enc: one.

Dear Mr. Gabriel,

As per directions of the First Member of Council I am submitting herewith an asset and liability statement of the Apex Bank as it stood on 30th June 1934.

Yours Sincerely,

M. S. [illegible]
11/9

C.L. Gabriel, Esq.,
Personal Assistant to the
First Member of Council, Bangalore.

Submd with the file on the subject.

CLG.
11/9

THE MYSORE PROVINCIAL CO-OPERATIVE APEX BANK LTD

****

BALANCE SHEET AS ON 30-6-1934(Provisional)

Liabilities

1.Paid up share capital:-			
	Rs	Rs.	
Preference	54,275-15-6		
Ordinary	1,86,368- 7-9	2,40,644- 7-3	
2. Reserve fund		1,43,308-11-5	
f.Funds:-			
Supervision fee	369-12-0		
Bad Debt Reserve	5,500- 0-0		
Rebate	2,705-12-0		
Investment fluctuation Fund	250- 0-0		
Dividend Equilisation fund	4,300- 0-0		
Common good fund	200- 0-0		
Building fund	12,500- 0-0	25,825- 8-0	
4.Loans payable to Government:-		15,000- 0-0	
5.Deposits & Other Liabilities:-			
Fixed deposit	31,40,784-13-11		
Current "	2,89,583- 0-11		
Savings "	59,649- 7-3		
Thrift	30,195- 4-0		
Savings deposit & Thrift deposit sinking fund	10,141- 6-2		
Establishment Provident fund	5,908- 2-0	35,36,262- 2-3	
6.Suspense		9,242- 5-9	
7.Dividends due		7,372-13-10	
8.Sundry creditors:-			
Interest received in			

Assets

1Property		Rs. 80,751-13-7	
2.Loans:-			
Long term	21,86,276-15-0		
Short term	32,986-10-6	22,19,263- 9-6	
Cash credits	2,35,556- 3-8		
Advance on F.D.	2,21,968-12-7	4,57,525- 0-3	
3.Sundry Debtors:-			
Interest accrued & pending on loans	2,86,373-15-3		
Interest accrued on Govt.Securities & on advance on F.Ds.	25,000- 0-0	3,11,373-15-3	
4.Investments(Govt. Savings Bank & Banks)		3,11,812- 8-0	
5.F.D.in Mysore Govt. Savings Bank		5,75,000- 0-0	
6.Cash in Banks		1,32,078- 7-7	
at office Closing Balance		10,260-12-5	

advance on loans.		2,327- 6-2	
Interest payable on F.D.		88,825- 0-0	
To Co-operators' Home a/c		3,500- 0-0	
Auditors fee		300- 0-0	
Cash credit D.A.a/c		931- 7-9	
Undisbursed ~~loans~~ *loans*		8- 8-0	95,892- 5-11
9.Balance Brought forward		349- 3-5	
Net profits	*	24,168- 8-9	24,517-12-2
			Rs.40,98,066- 2-7

Rs. 40,98,066- 2-7

*Interest in arrears for more than 3 years has been excluded from profits.

S. Venkata Subbaiah
Hon.Secretary.

Appendix F G—1]

SUBJECT .....

.....

.....

Section Cs

File No. 34·33

Serial No. 6

Diary No. of letter replied to .....

No. 8·3913

To

The Regr of Cs.

Sir,

General and Revenue Secretariat

( )

the *193* .

Date of issue 13·12·34

Signed by [illegible] 8-12-34

With refee to the correspondence ceding with your letter no 9325 7052 Cs dy 3/8/34 ~~1874/34~~ I recommend the grant of a cash credit loan of Rs 3 lakhs may be sanctioned to the Apex Bank on certain terms agreed to by it. I am directed to state that it has been decided that Rs 1½ lakhs might be advanced by Govt direct to the B Cl Housing Society and that the balance of Rs 1½ lakhs might be advanced to the Apex Bank for granting loans to

List of enclosures .....

Copied by .....

Examined by.....

WD 01966—GPB—22,500—12-6-34

Vi

other Housing Societies, and
Bangalore city
that in the case of the Housing
Society the mortgage deeds of
have been executed
the buildings for which loans
be granted should be assigned to Govt.

It is understood that the Society now
owes to the Apex Bank about Rs 65,000
for which all the loans due to the
Society from its members as well as
the mortgaged properties have been
given as security. Since these will
have now to be given as security to
Govt for the Cash credit loan, the Society
should immediately discharge the
taken from the Apex Bank
Apex Bank loan immediately the
Govt loan is granted. This loan
of Rs 1½ lakhs should bear interest at
5%. and the interest charged
by the Society to individual members
not more than ½ or 1% per cent above the rate
should not exceed % more
year
as may be approved by the Registrar

The cash credit loan should be
drawn within 3 years, and has to
be repaid in not more than 15 years

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

by annual instalments of 1/15 of the loan and the first instalment is to be paid after a one or two years after the ~~Borrower~~ instalment is drawn by the Society ‖ The Society has to execute a deed by which it has to assign ~~away~~ to Govt by way of security all the mortgages now held by it and also agree to similarly assign the future mortgages that may be held by it till the loan to Govt is fully discharged. ‖ These terms may therefore be communicated to the Society ~~officially~~ and their acceptance of the same intimated to Govt.

In regard to the Cash credit loan to the Apex Bank, the ~~Bank cannot give any reply. These same conditions will apply to the~~ Bank will being permitted to charge 5 1/2% to the Societies, which in turn may charge 1 or 1 1/2% more to borrowers as may be approved by the Registrar yet.

WD 0255—GPB—10,000—23-8-32

The loan of Rs 1½ lakhs to the apex Bank will be drawn within 3 years and discharged in the same manner as by the Housing Society Documents to be taken from the Apex Bank. The Bank may also be informed accordingly

Sd/- ?

Sd/- etc.

dtd 24/12/84

for Secy to Govt

Dev Deptt

Formal order will issue after this is accepted by the Banks.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore 12th December 1934

No. D 3913/C.1 34-35 13.

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Registrar of Co-operative Societies in Mysore, Bangalore.

Sir,

With reference to the correspondence ending with your letter No.933 C.S. dated 3rd August 1934, recommending that the grant of a cash credit, or a loan of Rs.3 lakhs may be sanctioned to the Apex Bank on certain terms agreed to by it, I am directed to state that it has been decided that Rs.1½ lakhs might be advanced by Government direct to the Bangalore City Housing Society, and that the balance of Rs.1½ lakhs might be advanced to the Apex Bank for granting loans to other House Building Societies, and that in the case of the Bangalore City Housing Society, the mortgage deeds of the buildings for which loans have been or will be granted should be assigned to Government.

It is understood that the Society now owes to the Apex Bank about Rs.65,000/- for which all the loans due to the Society from its members as well as the mortgaged properties have been given as security. Since these will have now to be given as security to Government for the cash credit loan, the Society should discharge the loan taken from the Apex Bank immediately the Government loan is granted.

This loan of Rs.1½ lakhs should bear interest at 5% and the interest charged by the Society to individual members should not be more than 1 or 1½ percent above this rate as may be approved by you.

The cash credit loan should be drawn within 3 years, and has to be repaid in 15 years by anhual instalments of 1/15 of the loan and

and the first instalment is to be paid a year after the first instalment is drawn by the Society.

The Society has to execute a deed by which it has to assign to Government by way of security all the mortgages now held by it and also agree to similarly assign the future mortgages that may be held by it till the loan to Government is fully discharged.

These terms may therefore be communicated to the Society and its acceptance of the same intimated to Government.

In regard to the cash credit loan to the Apex Bank, the Bank will give as Security to Government the mortgage bonds taken by the Primary Societies from individual borrowers. They will be permitted to charge 5½% to House Building Societies, which in turn may charge 1 or 1½% more to borrowers as may be approved by the Registrar of Co-operative Societies.

The loan of Rs.1½ lakhs to the Apex Bank will be drawn within 3 years and discharged in the same manner as by the Housing Society. The Bank may also be informed accordingly. Formal orders will issue after these terms are accepted by the two Banks.

I have the honour to be,
Sir,
Your most obedient servant,

Secretary to Government,
Development Department.

hks.2

Des

C.S 34-33-7

No. 5313 C.S.

Encl

Telegraphic Address :
"CO-OPERT"
BANGALORE.

GOVERNMENT OF MYSORE.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Camp Mysore, 30th Decr. 34.

Dated, Bangalore, 193

2.1.35

From

GULAM MOHADIN MEHKRI, ESQ., B.A., LL.B. 223

Registrar of Co-operative Societies in Mysore,
BANGALORE.

To

2.1.35

M. Venkatanarnappa, Esq., B.A.,
Secretary to Government, Development Department,
Bangalore.

Sir,

With reference to your letter No.D.3913/C.S. 34-33-6 dated 12th December 1934 re: the grant of a loan of rupees one and a half lakhs to the Apex Bank and an equal amount to the Bangalore City Co-operative Housing Society,Ltd., subject to certain conditions, I have the honour to state that the Bangalore City Co-operative Housing Society has accepted the terms fixed by Government subject to the waiving of the stamp duty on assignments. A copy of this office letter No.5033/C.S. dated 18th Decr.34 addressed to the Secretary of the Society and the society's reply thereto (No.910/1 dated 21-12-34) together with a copy of the resolutions passed at the meeting of the Board of Directors of the said society held on 20-12-34, is enclosed for the information of Government. I do not think, the waiving of the stamp duty on the agreement to be executed, to assign all mortgages in future, and on the assignment of existing bonds can be waived.

2. A separate communication will be made re: the grant of the loan to the Apex Bank on receipt of their reply with the Boards Resolution in the matter.

3. I request that formal orders may be issued sanctioning a loan of Rs 1,50,000/- to the Bangalore City Co-operative Housing Society.

I have the honor to be,
Sir,
Your most obedient servant,

M. S. Mehkri
31/12

Registrar.

31

Proceedings of the Meeting of the Board of Directors of the Bangalore City Co-operative Housing Society, Ltd., held on 20th Decr. 34.

Resolutions.-

1. The Board resolve to accept all the five terms referred to in the Registrar's letter No.5033/C.S. dated 18th Decr.1934, subject to which the Government of Mysore have decided to grant direct a loan of Rs 1,50,000/- to the Bangalore City Co-operative Housing Society,Ltd., for a period of 15 years commencing from the date of drawing the loan, in full or in part.

2. The Board request that Government may be pleased to waive the stamp duty payable on the assignment of the mortgage deeds, contemplated under term 2, as such duty will be a burden on the members of the society.

3. The Board further resolve to convey their grateful ~~thanks~~ thanks to the Government of Mysore for granting the loan to this society, as above, and to Rajamantrapravina Diwan Bahadur Mr.K.Matthan, 1st Member of Council.

Sd/- A.R.Nageswara Iyer.
20-12-34.

"copy"

30-12-34.
Regr.

Copy of letter No.5033/C.S. dated 18th Decr.34 from the Registrar of Co-operative Societies in Mysore to the Hon.Secretary, Bangalore City Co-operative Housing Society,Ltd.

I have the honour to state that Government are agreeable to grant a loan of Rs 1,50,000/- to your society on the following terms:-

i. The balance of loan due by the society to the Apex Bank should be discharged in full out of the Government loan.

2. All mortgage-deeds executed in favour of the society by its borrowers in respect of loans already granted and to be granted hereafter should be assigned to Government.

3. The loan of rupees one and a half lakhs will bear interest at 5 per cent and the interest charged by the society to individual members should not be more than the rate that may be fixed by the Registrar subject to a maximum of 1½ per cent.

4. This cash-credit loan of rupees one and a half lakhs should be drawn within three years and has to be repaid in 15 years in annual instalments of one fifteenth of the loan and the first instalment is to be paid a year after the first instalment is drawn by the society.

5. The society has to execute a deed agreeing to assign to Government by way of security all the mortgages now held by it and to be obtained by the society in future till the loan due to Government is fully discharged.

The acceptance of these terms by the society may be intimated early.

"copy"

30-12-34.

Regr.

Copy of letter No.910/1 dated 21st December 1934 from the Hon.Secretary Bangalore City Co-operative Housing Society,Ltd., to the Registrar of Co-operative Societies in Mysore.

I have the honour to acknowledge, with many thanks, the receipt of your letter No.5033/C.S. dated 18th Decr.34, conveying the terms under which the Government of Mysore are agreeable to grant a loan of Rs 1,50,000 to this society.

In accepting the terms, enumerated in the above, I am directed to enclose, for the information of Government, an extract of the Resolution of the Board on the subject. As the stamp duty, payable on the assignment of all the mortgage bonds, will weigh heavily on the members, I am to request you to be so good as to move Government to add to their kindness by waiving it altogether, as a special case.

To enable the society to have the benefit of the loan, now sanctioned, from the beginning of the next calendar year, I request you to be so good as to obtain the formal orders of Government in the matter as early as practicable.

I shall reserve other matters for a separate reference.

"copy"

30-12-34.
Regr.

Appendix F G—1]

38

SUBJECT .....

.....

.....

Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the 193 .

Date of issue .....

Signed by .....

List of enclosures .....

Copied by 9-1-35

Examined by.....

Section CS

File No. 34-33

Serial No. 8

No. D 4493

To

The Registrar

Sir,

With reference to the correspondence ending with your letter No. 5313 dt. 2-1-35 on the subject of the grant of a loan to the Bangalore City Housing Society, and the waiving of Stamp duty on all assignments of mortgage bonds which will be made to Govt. I am directed to enquire how much the stamp duty will amount to on the assignment of the mortgage deeds already in the possession of the Bank

I have etc

DCG

7/1/35 Secretary

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. [illegible] Bangalore, Dated, 15th January 193 5

From 39

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Registrar of Co-operative Societies in Mysore, Bangalore.

Sir,

With reference to the correspondence ending with your letter No.5313 dated 2nd January 1935 on the subject of the grant of a loan to the Bangalore City Housing Society, and the waiving of stamp duty on all assignments of mortgage bonds to Government, I am directed to enquire how much the stamp duty will amount to on the assignment of the mortgage deeds already in the possession of the Bank.

I have the honour to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

D 4987. G.S. 32 33. 34 2.33

THE MYSORE PROVINCIAL CO-OPERATIVE APEX BANK, LTD.

No. 1, HARDINGE ROAD, CHAMARAJPET

BANGALORE CITY

No. 7956 — 30 JAN. 1935 — Dated 29th January 1935

GEN. & DEVELOPMENT BRANCH

To

Rajamantrapravina
Diwan Bahadur K. Matthan Esq., B.A.,

First Member of Council,
Public Offices, Bangalore.

Sir,

With reference to the order of the Government to advance a loan of Rs. 1½ lakhs to the Apex Bank for financing housebuilding Societies under certain conditions, the Board of Directors of this Bank have appointed a Deputation consisting of :-

1. Messrs. S. Venkatakrishnaiya, President
2. Rao Sahib C. Hayavadana Rao Vice-President
3. M. A. Gopalaswami Iyengar, Hon. Secretary
4. V. Venkatappa, Director
5. and B. Srinivasa Iyengar "

to wait upon you and to make a representation in that behalf. I request you to kindly let me know when it would be convenient for you to grant an interview to the Deputation. In this connection, I beg to state that any date after the 3rd February 35 would suit the Deputation.

I have the honour to be,

Sir,

Your most obedient servant,

M. A. Gopalaswamy Iyengar.
Hon. Secretary.

TYPING SECTION. 30 JAN. 1935 CIT.

Copy of the above is forwarded with compliments to the Registrar of C.S. and the Fin' Secy to Govt with a request that they may both be present when the 1st member of Council meets the Deputation at 3 pm. on the 6th February 1935.

By Order

Issued. D. 4987 & 30.1.35 dcg 30/1/35

Fwd 6/2/35

Dew discussed with Registrar 6th Feb at 3 pm in connection with Rly matter and the order will be passed after discussion by 29/1

Issue today dcg 30/1/35 29/1

Reply D 4987 & 30/1/35

Sir,

In reply to your letter No 7956 dated 29th Jan 1935, I am directed to inform you that the 1st member of Council will be glad to receive the Directors of the Apex Bank in connection with the grant of a loan of Rs 1½ lakhs at 3 pm. on the 6th February 1935.

I have &c dcg 30/1/35

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 30th January 1935

No. Gen 67

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Honorary Secretary,
The Mysore Provincial Co-operative Apex Bank Lt
No. 1 Hardinge Road, Chamarajpet,
Bangalore City.

Sir,

In reply to your letter No. 7956, dated the 29th January 1935, I am directed to inform you that the First Member of Council will be glad to receive the Directors of the Apex Bank in connection with the grant of a loan of Rs. 1½ lakhs at 3 P.M. on the 6th February 1935.

I have the honor to be,
Sir,
Your most obedient servant,

(File Copy)

For Secretary to Government,
Development Department.

TRM.2

Letter No. 7956, dated 29th January 1935, from the Honorary Secretary, the Mysore Provincial Co-operative Apex Bank, Ltd., No. 1 Hardinge Road, Chamarajpet, Bangalore City, to the First Member of Council.

With reference to the order of the Government to advance a loan of Rs. 1½ lakhs to the Apex Bank for financing house-building Societies under certain conditions, the Board of Directors of this Bank have appointed a Deputation consisting of:-

1.	Messrs. S. Venkatakrishnaiya,	President.
2.	Rao Sahib C.Hayavadana Rao	Vice-President.
3.	M.A. Gopalaswami Iyengar	Hon. Secretary.
4.	V. Venkatappa	Director
and 5	B. Srinivasa Iyengar.	"

to wait upon you and to make a representation in that behalf. I request you to kindly let me know when it would be convenient for you to grant an interview to the Deputation. In this connection, I beg to state that any date after the 3rd February 1935 would suit the Deputation.

Memo No. D 4983-9 General and Revenue Secretariat.

Bangalore, dated the 30th January 1935.

Copy of the above is forwarded with compliments to the Registrar of Co-operative Societies in Mysore, with a request and Financial Secretary to Government., that ~~they xmx~~ he may be present when the First Member of Council meets the Deputation at 3 P.M. on the 6th February 1935.

By Order,

For Secretary to Government,
Development Department.

TRM.3

G. R. S. App. F VI—G 2]

SUBJECT 113

.....

.....

Diary. No of letter replied to .....

Section

File No.

Serial No.

General and Revenue Secretariat

( )

the 193 .

Proceedings of the Government of His Highness the Maharaja of Mysore.

Date of issue..... 193 .

Signed by .....

Read— ~~Correspondence ending~~ 7052 18.4.34 ~~with~~ letter no ~~S/B&R cs~~ of ~~2.1.35~~ from the Registrar, recommending the grant of a loan of Rs ~~150,000~~ 3 lakhs to the ~~Bangalore City Co-operative~~ Apex Bank on certain terms to enable the Bank to make advances to ~~their~~ ~~subject to~~ the ~~operative Housing~~ House Building Society at Bangalore ~~certain conditions~~ and other places on easy ratio of interest.

2. Correspondence ending with letter No 13/C.S dated 2.1.35 from the same officer recommending the grant of a loan of Rs 1½ lakhs direct to the Bangalore City Co-operative Housing Society, Ltd. and another Rs 1½ lakhs to the Apex Bank for financing the other House building Societies in the State.

Thereon.—No. Govt. are pleased to sanction the grant of a loan of Rs 1½ lakhs to the Bangalore City Co-operative Housing Society Ltd. subject to the following conditions:—

(i) The balance of the loan due by the Society to the ~~Apex~~ Co-op

May this be—

(i) printed ?

(ii) treated as a standing order ?

(iii) published in the Gazette, English Part ?

(iv) translated ?

(v) placed at the disposal of the press ?

(vi) published in the Gazette, Kannada Part ?

The Registrar brings to notice Govt. consider that, if house-building is to be encouraged in important centres like Bangalore, it is necessary to provide long term loans at low rates of interest. He therefore at first recommended the grant of a cash credit loan of Rs 3 lakhs to the Apex Bank on certain terms so that the Bank may in turn finance the Co-operative Housing Society at Bangalore and similar Societies other places on easy rates of interest. After consulting the Housing society at Bangalore, he submitted modified proposals recommending the grant of a loan of Rs 1½ lakhs direct to

G. R. S. App. F VI—G 2]

SUBJECT 113

.....

.....

Diary. No of letter replied to .....

Section

File No.

Serial No.

General and Revenue Secretariat

( )

the *193*

Proceedings of the Government of His Highness the Maharaja of Mysore.

Date of issue..... 193 .

Signed by .....

May this be—

(i) printed ?

(ii) treated as a standing order ?

(iii) published in the Gazette, English Part ?

(iv) translated ?

(v) placed at the disposal of the press ?

(vi) published in the Gazette, Kannada Part ?

Read— ~~Correspondence ending~~ 7052 18.4.34 ~~with~~ letter no ~~[illegible]~~ cs of ~~2-1-35~~ from the Registrar, recommending the grant of a loan of Rs 3 lakhs ~~15,000~~ to the Apex Bank on certain terms ~~Bangalore City Co-operative~~ to enable the Bank to make advances to ~~Housing Society Ltd subject to~~ the Co-operative Housing ~~the House Building~~ Society at Bangalore ~~certain conditions~~ and other places on easy rates of interest.

2. Correspondence ending with letter No 5313/CS. dated 2.1.35 from the same officer recommending the grant of a loan of Rs 1½ lakhs direct to the Bangalore City Co-operative Housing Society, Ltd. and another Rs 1½ lakhs to the Apex Bank for financing the other House building Societies in the State.

Order thereon.—No.

The Registrar brings to notice that Govt consider that, if house-building is to be encouraged in important centres like Bangalore, it is necessary to provide long term loans at low rates of interest. He therefore at first recommended the grant of a cash credit loan of Rs 3 lakhs to the Apex Bank on certain terms so that the Bank may in turn finance the Co-operative Housing Society at Bangalore and similar Societies other places on easy rates of interest. After consulting the Housing Society at Bangalore, he submitted modified proposals recommending the grant of a loan of Rs 1½ lakhs direct to

* Govt. are pleased to sanction the grant of a loan of Rs 1½ lakhs to the Bangalore City Co-operative Housing Society Ltd. subject to the following conditions :—

(1) The balance of the loan due by the Society to the Apex Co-op

Apex Bank should be discharged immediately the Govt. loan is in full ~~of the loan~~ was granted.

2. All mortgage deeds executed in favour of the Society by its borrowers in respect of loans already granted and to be granted hereafter, should be assigned to Government

3 The loan ~~of Rs~~ 1½ ~~lakhs~~ should bear interest at 5%, and the interest charged by the Society to individual members should not be more than the rate that may be fixed by the Registrar subject to a maximum of 1½ per cent over the rate ~~fixed~~ allowed for the Govt. loan.

(4) The loan should be drawn within 3 years and ~~be~~ repaid in 15 years in annual instalments of $\frac{1}{15}$ of the loan, and the first instalment ~~of~~ should be paid a year after the first instalment is drawn by the Society

6. The Society should execute a deed

that society on certain terms and reserved the question of granting a loan of Rs 1½ lakhs to the Apex Bank for being dealt with in a separate communication.

2. After a consideration of all aspects of the case, *

List of Enclosure

Copied by

Examined by

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

agreeing to assign to Govt. by way of security all the mortgages now held by it and to be obtained by the society in future till the loan due to Govt. is fully discharged.

3. The Registrar reports that the Society has accepted the above terms but prays for the waiving of the stamp duty leviable on the agreement to be executed for assigning all mortgages in future as well as that leviable on the assignment of existing bonds. Govt. regret their inability to grant this prayer of the Society.

Secy 7/1/35. Dev Secy

To the Registrar

" Govt Secretariat No. FD.

PBr 6.1.35

WD 0436—GPB—10,000—17-10-33

C.S. 34-33-9

Proceedings of the Government of H.H. the Maharaja of Mysore.

Read:-

Letter No.7052/C.S. dated 18th April 1934 from the Registrar of Co-operative Societies in Mysore recommending the grant of a loan of Rs3 lakhs to the Apex Bank on certain terms to enable the Bank to make advances to the Co-operative Housing Society at Bangalore and other places on easy rates of interest.

2. Correspondence ending with letter No.5313/C.S. dated 2nd January 1935 from the same officer recommending the grant of a loan of Rs1½ lakhs direct to the Bangalore City Co-operative Housing Society, Ltd.,and another Rs1½ lakhs to the Apex Bank for financing the other House Building Societies in the State.

Order No. ~~C.S.~~ D. 5158-59

Dated, C.S. 34-33-9 7th Feb 35.

The Registrar brings to notice that, ~~if~~ house-building ~~is to be encouraged~~ in important centres like Bangalore, it is necessary to provide long term loans at low rates of interest. He therefore ~~at first~~ recommended the grant of a cash credit loan of Rs3 lakhs to the Apex Bank on certain terms so that the Bank may in turn finance the Co-operative Housing Society at Bangalore and similar Societies in other places on easy rates of interest. Subsequently, after consulting

the Housing Society at Bangalore, he submitted modified proposals recommending the grant of a loan of Rs1½ lakhs direct to that Society on certain terms and has reserved the question of granting a loan of Rs1½ lakhs to the Apex Bank for being dealt with in a separate communication.

2. After a consideration of all aspects of the case, Government are pleased to sanction the grant of a loan of Rs1½ lakhs to the Bangalore City Co-operative Housing Society Ltd., subject to the following conditions:-

(i) The balance of the loan due by the Society to the Apex Bank should be discharged in full immediately the Government loan is granted.

(ii) All mortgage deeds executed in favour of the Society by its borrowers in respect of loans already granted and to be granted hereafter, should be assigned to Government.

(iii) The loan should bear interest at 5% and the interest charged by the Society to individual members should not be more than the rate that may be fixed by the Registrar subject to a maximum of 1½ per cent over the rate allowed for the Government loan.

(iv) The loan should be drawn within 3 years and repaid in 15 years in annual instalments of 1/15 of the loan, and the first instalment should be paid a year after the first ~~instalment~~ portion of the loan is drawn by the Society.

(v) The Society should execute a deed agreeing to assign to Government by way of security all the mortgages now held by it and to be obtained by the Society ~~in future~~ hereafter till the loan due to Government is fully discharged.

3. The Registrar reports that the Society has accepted the above terms but prays for the waiving of the stamp duty leviable on the agreement to be executed for assigning all mortgages in future as well as that leviable on the assignment of existing bonds. ~~Government regret their inability to grant this prayer of the Society.~~ This question is reserved for separate consideration and orders.

Secy. to Government,
8/1/35 Develop. Department.

To

The Registrar of Co-operative Societies in Mysore.

The Comptroller to Government through the Financial Deptt.

psk.

Appendix F G—1]

49

SUBJECT .....

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Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the 193 .

Date of issue 22/1/35 (W)

Signed by .....

of enclosures .....

Copied by .....

Examined by.....

Section C-S.

File No. 34-33

Serial No. 10

No. Q 6169

To

The Registrar C.S.

Sir,

Adverting to ~~the~~ paragraph ~~of the~~ letter No ~~C~~ 5813 CS ~~dated~~ 2.1.35 ~~15.12.34~~, re the loan of Rs 1½ lakhs to the Apex Bank, I am directed to enquire whether the Bank ~~has accepted the terms~~ is prepared to accept the terms of the grant of the loan. An early reply is requested.

I have &c.

Sec
29/3/35 Dy Registrar

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D6169 Bangalore, Dated, 20th March 1935

From CR 84-33-10

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Registrar of Co-operative Societies in Mysore,

Bangalore.

Sir,

Adverting to paragraph 2 of your letter No.5313/C.S. dated 2nd January 1935 re- the loan of Rs1½ lakhs to the Mysore Co-operative Apex Bank, I am directed to enquire whether the Bank is prepared to accept the terms of grant of the loan. An early reply is requested.

I have the honour to be,
Sir,
Your most obedient servant,

for Secretary to Government,
Development Department.

psk-2

C.S.34-33-8

GOVERNMENT OF MYSORE

No. 8788 C.S.

DEPARTMENT OF CO-OPERATION.

Telegraphic Address: "CO-OPERT" BANGALORE.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated, Bangalore, 26 MAR 1935 *March 193* 5.

From

GULAM MOHADIN MEHKRI, ESQ., B.A., LL.B.,
Registrar of Co-operative Societies in Mysore,
Bangalore.

To

M.Venkatanaranappa, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department, B a n g a l o re

Sir,

With reference to your letter No.D.4493/C.S.34-33-8 dated 17th January 1935 re: the amount of stamp duty - payable by the Bangalore City Housing Co-operative Society on assignments of Mortgage Bonds to Government, I have the honour to forward, herewith, copy of letter No.1365 dated 28th February 1935 received from the Honorary Secretary of the society furnishing the information required.

I have the honour to be,
Sir,
Your most obedient servant,

Registrar.

L.S.22/3.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

52

Letter No.1365 dated 28th February 1935 from the Honorary Secretary, The Bangalore City Co-operative Housing Society,Ltd.,Bangalore, to the Registrar of Co-operative Societies in Mysore.

****

With reference to your letter No.6442 dated 31st January 1935, re: the stamp duty on the mortgage deeds, already in the possession of the society, I have the honour to state as follows:-

The total face value outstanding against loan-holders comes to Rs.2,79,160/- and the present or actual value to Rs.1.94,777/-. But it has to be remembered that a loan of only Rs.1,50,000/- has been applied for by this society from Government, direct. The concessional or half rate on this amount, as per Government Notification No.D.316 C.S.3-31-4 dated 15th/17th July 1931, will come to Rs.483-12-0. Even this sum will fall heavily on the borrowing members. The proviso to the Notification, quoted above, empowers Government to grant full remission of stamp duty, when the transaction is between societies. In this case, the transaction will be between the Government of Mysore and this society. The benevolent idea of Government is to make money available as cheap as possible for House-Building Societies.

In this office letter No.910 dated 21st December 1934, the society has applied for full remission of stamp duty. Under the circumstances, I am directed to request you to be so good as to lend the weight of your support to our representation and move Government to give us the benefit of the proviso to the said Notification and waive their claim to the stamp duty altogether.

****

"Copy"

L.S.22/3.

Registrar.

D.4548

No 948 C.S. Enc: Letter

GOVERNMENT OF MYSORE.

6:5:34-33-12

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Telegraphic Address: "CO-OPERT" BANGALORE

Dated, Bangalore, 29 April 1935.

From

GULAM MOHADIN MEHKRI, ESQ., B.A., LL.B.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

To

Venkatanarahappa, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department,
Bangalore.

REV. SECTION
30 APR 1935
DEVELOPMENT BRANCH

Sir,

With reference to your No.D.6169/C.S.34-33-12 dated 22nd March 1935 enquiring whether the Mysore Provincial Co-operative Apex Bank, Ltd., is prepared to accept the terms of grant of the loan of one and half lakhs of rupees for financing House-Building Co-operative Societies throughout the State, I have the honour to forward, herewith, a copy of letter No.1151 dated the 16th April 1935 received from the Hon'ary Secretary of the Bank for your information and to state that in view of the difficulties explained by the Apex Bank in regard to inspection, supervision and recovery of amounts advanced by it from House-Building Societies outside Bangalore, Government may be pleased to sanction to it a loan of a lakh and a half of rupees at 4 per cent to enable it in its turn to lend out to other House-Building Societies at 5 per cent. If this concession rate is not allowed to the Apex bank, the members of House-Building societies outside Bangalore will not be able to borrow loans at the same rate as is charged to members of the Bangalore Housing Co-operative Society.

Considering the rate of interest paid by Government, it might not be possible for Government to advance such a large sum of money at 4 per cent, yet with a view to encourage house-building in important places, I recommend that the loan prayed for may be sanctioned at 4 per cent. Further whatever may be the financial stability of the Bank, I think, it is necessary to take sufficient security from the Bank by assignment of the mortgages, for such sums as are drawn by it out of the loan sanctioned.

The other conditions have been accepted by the Bank and it should also be made a condition precedent that the interest charged by the House-Building Societies to their members should not exceed the rate that may be fixed

I.T.O.

fixed by the Registrar subject to a maximum of 1½ per cent over the rate allowed by the Apex Bank.

I have the honour to be,
Sir,
Your most obedient servant,

Registrar.

I.S.27/4.

DEPARTMENT OF CO-OPERATION. 71

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Letter No.11512 dated 16th April 1935 from the Hon: Secretary, Mysore Provincial Co-operative Apex Bank, Ltd., Bangalore City, to the Registrar of Co-operative Societies in Mysore, Bangalore.

With reference to correspondence ending with your letter No.8394 CS dated 1st April 1935 in the matter of the loan of Rs.1½ lakhs by Government to the Apex Bank for financing house-building Co-operative Societies throughout the State, I have the honour to state that the Board of Directors of the Bank agreed to the margin of half a per cent on the supposition that the entire loan of Rs.3 lakhs would be placed at the disposal of the Bank and that all Housebuilding Societies in the State would be directed to obtain the required accommodation from the Apex Bank. The Bank also agreed to earmark Rs.1½ lakhs to the Bangalore City Co-operative Housing Society Ltd., out of the loan of Rs.3 lakhs. Now that Government are desirous of approving of a loan of Rs.1½ lakhs direct to the Housing Society, instead of through the Apex Bank as at first agreed to, the Board of Directors think that a change in the terms is essential. It is needless to state that the inspection and supervision of the Housebuilding societies in the Districts and the recovery of amounts from them is bound to involve heavy expenditure on the Bank. Moreover, as half of the originally proposed loan of Rs.3 lakhs, viz., Rs.1½ lakhs, is to be sanctioned direct to the Bangalore City Housing Society, the inspection, supervision and recovery work in whose case would not have involved any heavy expenditure on the Bank, the Board is of opinion that the margin of ½% would prove insufficient to meet the overhead and other charges which have to be incurred by the Apex Bank. Accordingly I am to state that the Government should be requested to sanction the loan to the Apex Bank at the rate of 4 per cent per annum, the Bank in its turn being permitted to charge 5% per annum to the societies. By this arrangement, the societies would be enabled to obtain loans at the same rate of interest as the Bangalore City Housing society and the Bank would be enabled to secure just the margin required to cover the expenses incidental to the grant of loans to societies in the districts.

2. In regard to the question of the transfer to Government of the

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

mortgage deeds executed by the individual borrowers of societies the Board is of opinion that the procedure proposed is likely to cause avoidable inconvenience and entail extra cost. The transfer will have to be by means of an instrument of transfer or assignment deed, for which stamp duty and registration charges would have to be paid, which would throw an additional burden on the borrowers. Further, when once the mortgage deeds are assigned to Government, Government would become the direct creditors of the borrowers and the societies cannot legally recover any amounts due from the parties. Further, an assignment of the kind suggested seems to be unnecessary as Section 45 of the Regulation gives the Government special powers of recovery of loans granted by them to Co-operative Societies.

3. The Bank has at present a membership of 991 societies and 285 individuals who have subscribed a total share capital of Rs.4,09,000/- of which about Rs.2,40,000/- have been paid up, leaving a reserve liability of Rs.1,69,000/-. The Bank has built up Reserve and other funds aggregating Rs.1,74,658/- and has a total working capital of over Rs.35/- lakhs of which nearly 9 lakhs are held as liquid assets. The loans outstanding against societies aggregate approximately Rs.24/- lakhs and a little over Rs.2/- lakhs are outstanding by way of advances against fixed deposits. Thus, it will be seen that the financial position of the Bank is perfectly sound, though recoveries from indebted societies have not been encouraging due mainly to causes of a World wide character, low commodity prices and continued economic depression, which have upset the economic balance of the Indian agriculturists generally.

4. In these circumstances, I am desired by the Board to request you to be so good as to recommend to Government the sanction of a loan of Rs.1½ lakhs to this Bank at the rate of 4% interest per annum for financing housebuilding societies throughout the State subject to the following conditions:

1. The Bank to charge not more than 5% to the House-building societies.

2. The loan to be repaid in 15 annual equal instalments.

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

3. The Bank to be permitted to draw the loan within a period of three years i.e., before 30th June 1938.

I am also desired to request you to be so good as to recommend that the assignment or transfer of mortgaged deeds to Government may not be insisted upon in view of the reasons adduced in para 2 above.

"Copy"

Registrar.

AKM)27/4

Appendix F. G.–1]

SUBJECT

Section. Co
File No. 34-33
Serial No. B

No. 07402

To The Regr of Cs.

Diary No. of letter replied to

General and Revenue Secretariat.

( )

the 193 .

Date of issue 11/5/35

Signed by

Sir,

Adverting to the correspondence ending with your letter no 8088 dt 25.3.35 on the subject of waiving the stamp duty payable by the Bangalore City Housing Co. on assignments of mortgage bonds to Govt. I am directed to state that Govt. regret that they cannot accede to the request of the Society for waiving the Stamp Duty.

I have the honour to be,
Sir,
Your most obedient servant,

List of enclosures

Copied by

Examined by

07402 dtd 4/5/35
Secretary.
Copy to the Comptroller

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D 1402 / 114-35-11

Dated, Bangalore, 8th May 1935. 193xx.

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Development Department.*

To

The Registrar of Co-operative Societies in Mysore Bangalore.

Sir,

Adverting to the correspondence ending with your letter No.8088, dated 25th March 1935, on the subject of waiving the stamp duty payable by the Bangalore City Housing Co-operative Society on assignments of Mortgage Bonds to Government, I am directed to state that Government regret that they cannot accede to the request of the Society for waiving the stamp duty.

I have the honour to be,
Sir,
Your most obedient servant,

Sd. M. Venkatanaranappa

Secretary to Government
Development Department.

Memo No. D 7403 11-5-35

Dated, Bangalore ~~the~~ 8th May 1935.

Copy of the foregoing is forwarded with compliments to the Comptroller to Government, for information.

By Order,

Secretary to Government,
Development Department.

Agn/2

C8. 84-33-17.

proceedings of the Govt. of H.H.
the Maharaja of Mysore.

Read:-

Letter No. 7052/C.S. dated 18th April 1934, from the Registrar of Co-operative Societies in Mysore, recommending the grant of a loan of Rs. 3 lakhs to the Apex Bank on certain terms to enable the Bank to make advances to the Co-operative Housing Society at Bangalore and other places on easy rates of interest.

2. Correspondence ending with letter No. 5313, dated 2nd January 1935 from the same officer, recommending the grant of a loan of Rs. 1½ lakhs direct to the Bangalore City Co-operative Housing Society and another Rs. 1½ lakhs to the Apex Bank for financing the other House Building Societies in the State and G.O. No.D. 5158-9/C.S. 34-33-9, dated 7th February 1935 sanctioning the loan recommended to the Bangalore City Housing Society.

3. Further correspondence ending with letter No. 9148 dated 29th April 1935 from the same officer on the subject.

Order No. 970-71

Government are pleased to sanction the grant of a loan of Rs. 1½ lakhs to

the Mysore Provincial Co-operative Apex Bank for the purpose of financing House Building Societies in the State other than the one at Bangalore City subject to the following conditions:-

(i) The loan should bear interest at 4½ per cent and the Apex Bank should lend to House Building Societies at 5½ per cent. The interest charged by such House Building Societies to individual members should not exceed the -- rate that may be fixed by the Registrar of Co-operative Societies subject to a maximum of 1½% over the rate allowed by the -- Apex Bank;

(ii) The cash credit loan should be drawn within 3 years and repaid in 15 years by annual instalments of 1/15 of the loan and the first instalment should be paid a year after it is drawn by the Bank;

(iii) The Bank should give sufficient security to Government by assignment of the mortgages for such sums as are drawn by it out of the loan sanctioned; and

(iv) All mortgage deeds executed in

favour of the House Building -- Societies by their borrowers in respect of loans granted should be assigned in favour of Government.

19/7/35 Gen. Secretary to Govt.

To

The Registrar of Co-operative Societies in Mysore.

Comptroller to Govt. thro' Financial Sectt.

19/7

TR".

favour of the House Building -- Societies by their borrowers in respect of loans granted should be assigned in favour of Government.

19/7/35 Gen. Secretary to Govt.

To

The Registrar of Co-operative Societies in Mysore.

Comptroller to Govt. thro' Financial Sectt.

19/7

TRN.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS MAHARAJA OF MYSORE.

Letter No.7052/C.B. dated 18th April 1934, from the Registrar of Co-operative Societies in Mysore, recommending the grant of a loan of Rs.3 lakhs to the Apex Bank on certain terms to enable the Bank to make advances to the Co-operative Housing Society at Bangalore and those at other places on usual rates of interest.

2. Correspondence ending with letter No.5013, dated 2nd January 1935 from the same officer, recommending the grant of a loan of Rs.1½ lakhs direct to the Bangalore City Co-operative Housing Society and another Rs.1½ lakhs to the Apex Bank for financing House Building Societies in the State and Government Order No. [illegible] dated 7th February 1935 sanctioning the loan recommended to the Bangalore City Housing Society.

3. Further correspondence ending with letter No.9148 dated 8th April 1935 from the same officer on the subject.

Order No. D 970-71/C1. 84-33-17

Dated, Bangalore, 12th August 1935.

Government are pleased to sanction the grant of a loan of Rs.1½ lakhs to the Mysore Provincial Co-operative Apex Bank for the purpose of financing House building Societies in the State other than the one at Bangalore City subject to the following conditions:-

(i) The loan should bear interest at 4½ per cent and the Apex Bank should lend to House Building Societies at 5½ per cent. The interest charged by such House Building Societies to individual members should not exceed the rate that may be fixed by the Registrar of Co-operative Societies subject to a maximum of 1½ per cent over the rate allowed by the Apex Bank;

(ii) The cash credit loan should be drawn within 3 years and repaid in 15 years by annual instalments of 1/15 of the loan and the first instalment should be paid a year after it is drawn by

the Bank;

(iii) the Bank should give sufficient security to Government by a charge on the mortgages for such sums as are drawn by it out of the loan sanctioned; and

(iv) all mortgage deeds executed in favour of the house building societies by their borrowers in respect of loans granted should be assigned in favour of Government.

General Secretary to Government.

The Registrar of Co-operative Societies in Mysore.
The Comptroller to Government through Financial Secty.